Daily Report

Latin America

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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

FRONT PAGE

CARIBBEAN

Cuba

Diplomatic Ties Established With Moldova *[Havana Radio]* 2
Ambassador Cites Pentagon 'Internal Document' *[Mexico City NOTIMEX]* 2
Castro Visits With Potato Harvesters *[Havana Radio]* 2
Mexican Group Promotes Joint Investments *[Havana Radio]* 2
Civil Defense Exercise Aimed at Epidemics *[Havana Radio]* 3
Havana Notes Moscow Demonstration *[Havana Radio]* 3

Haiti

Belizaire Summons Parliament to 18 Mar Session *[Port-au-Prince Radio]* 3
Cabinet Note Explains Court Action on Agreement *[Port-au-Prince Radio]* 3
Assembly To Meet Despite Reported Delay Request *[Port-au-Prince Radio]* 4
Government Reportedly Trying To Block Meeting *[Bonaire Radio]* 4
Further on Supreme Court Position, Intervention *[Port-au-Prince Radio]* 4
Louis Dejoie Supports Washington Agreement *[Port-au-Prince Radio]* 4
Intimidation in Cap-Haitien 'Tending To Fade' *[Port-au-Prince Radio]* 5
Cabinet To Send Envoy To Work Against Embargo *[Port-au-Prince Radio]* 5
Studies on Refinery, Airline Reported Under Way *[Port-au-Prince Radio]* 5

CENTRAL AMERICA

El Salvador

Copaz Commission Begins Work on Land Issue *[San Salvador TV]* 6
Suspects in Killing of U.S. Advisers Surrender 6
Identified as FMLN Guerrillas *[San Salvador TV]* 6
Extradition to U.S. Ruled Out *[San Salvador TV]* 6
Rebels Surrender *[Panama City ACAN]* 7
Suspects' Testimony Begins *[San Salvador Radio]* 7

Guatemala

* Union Members, Minority Leaders Threatened *[PRENSA LIBRE 6 Feb]* 8
* Protest Rights Abuses *[PRENSA LIBRE 10 Feb]* 8

Panama

Former Army Major Calls For Insurgent Movement *[EL PANAMA AMERICA 17 Mar]* 8
Police Disperse Demonstration of Unemployed *[LA PRENSA 17 Mar]* 9
Residents Protest Government Noncompliance *[EL PANAMA AMERICA 17 Mar]* 9

SOUTH AMERICA

Argentina

Bomb Attack Against Israeli Embassy Reported 10

Embassy 'Virtually Destroyed' *[TELAM]* 10
Menem Blames Nazi 'Remnants' *[NOTICIAS ARGENTINAS]* 10
Exploding Arsenal Theory Denied *[TELAM]* 10
Police on 'General Alert' *[Buenos Aires TV]* 10
Jewish Organizations Receive Threats *[NOTICIAS ARGENTINAS]* 10
TV Reports Anonymous Threats *[NOTICIAS ARGENTINAS]* 10
'Pro-Palestinian Group' Claims Credit *[Buenos Aires TV]* 10
Bombing, Attack in Turkey Linked *[NOTICIAS ARGENTINAS]* 11
Palestinian Office Condemns Attack *[TELAM]* 11
Foreign Ministry Issues Communique *[NOTICIAS ARGENTINAS]* 11
Menem Holds News Conference *[Buenos Aires TV]* 11
Menem, Di Tella Comment on FAA Report *[TELAM]* 15
Two Deputies Call For Supreme Court Impeachment *[BUENOS AIRES HERALD 17 Mar]* 15
'Efficiency' of Atucha Nuclear Plant Viewed *[NOTICIAS ARGENTINAS]* 16

Bolivia

Paz Restructures Cabinet; Replaces 8 Ministers *[La Paz TV]* 16
Labor Minister Hails COB-Government Agreement *[La Paz TV]* 16
Government Assigns Funds for Salary Increases *[La Paz Radio]* 17
Saavedra Reports 'Hard Blow' Against Terrorism *[La Paz TV]* 17

Brazil

* Mining Company Sells Technology to Iran *[GAZETA MERCANTIL 12 Feb]* 17
* Goldemberg on Former Bomb Project, Corruption *[VEJA 5 Feb]* 18
* Mapping Identifies Amazon Investment Areas *[O GLOBO 18 Feb]* 21

Chile

Israeli Envoy Condemns Attack in Argentina *[Santiago Radio]* 22
UDI Deputies Report 'Political Espionage' *[Santiago Radio]* 22
Public Security Council Coordinator on Terrorism *[Santiago TV]* 22

Colombia

Judge Flees Country Citing DEA Threats *[Mexico City NOTIMEX]* 23
Insurgents Attack San Carlos Police Headquarters *[Santa Fe de Bogota Radio]* 23

Peru

Peruvian-Japanese Association Attacked 16 Mar *[AFP]* 24
* Senate President on Relations With Fujimori *[CARETAS 17 Feb]* 24
* ILD Arbitration Proposal Causes Controversy *[CARETAS 17 Feb]* 26
* Increased Stock Market Trading Signals 'Boom' *[EL COMERCIO 16 Feb]* 27
* Business Sectors To Help in Tax Collection *[EXPRESO 13 Feb]* 28
* Current Tax Structure, New Package Described *[CARETAS 17 Feb]* 28

Uruguay

Government Repudiates Attack on Israeli Embassy *[Montevideo Radio]* 29
Security Reinforced *[Madrid EFE]* 30

Venezuela

Coupists Charge Human Rights Violations *[Madrid EFE]* 30
Commission Created To Supervise Expenditures *[Caracas TV]* 30

Argentina

An explosion on 17 March "virtually destroyed" the Israeli Embassy building in Buenos Aires, TELAM reports. According to NOTICIAS ARGENTINAS, President Carlos Menem blamed the attack on "some sectors that are overwhelmed by the tasks the national government is undertaking." In a similar report, TELAM reports Menem's statement that the acts were the work of "remnants of Nazism and of some fundamentalist groups that have already been defeated in Argentina." Buenos Aires TV received an anonymous phone call from an individual who claimed that the attack was perpetrated by a "so-called pro-Palestinian group for a free Palestine." According to TELAM, government sources have "categorically denied" rumors that the embassy blew up when an arsenal inside the embassy exploded.

El Salvador

According to San Salvador Radio, two FMLN guerrillas accused of murdering U.S. Army advisers David Pickett and Ernest Dawson, have begun their testimony in a Chinameca Court. Chief Justice Gutierrez affirmed that the United States has not requested extradition, but "if there is an extradition request, the answer would be no, because our Constitution does not allow the extradition of Salvadoran citizens under any circumstances."

Bolivia

La Paz TV reports that President Jaime Paz Zamora "restructured his cabinet" by replacing eight of his ministers. Paz reiterated that his action "was not prompted by a cabinet crisis" but was "only an effort to implement a reorganization or reshuffling of personnel to best serve the people's interests."

Cuba

Diplomatic Ties Established With Moldova

FL1803022192 Havana Radio Rebelde Network in Spanish 0000 GMT 18 Mar 92

[Text] Cuba and Moldova have signed today in Chisinau, the capital of Moldova, a protocol on establishing bilateral diplomatic ties. The document was signed by Cuban Vice Foreign Minister Alcibiades Hidalgo and his Moldovan counterpart, Nikolay Asmokeska. The two sides also signed a cooperation agreement between their respective foreign ministries.

Located in the southwestern region of the former Soviet Union, Moldova has 303,700 square km and almost 4.3 million inhabitants. That republic has powerful energy resources and manufactures machinery; the rural areas produce grapes, beans, wheat, tobacco, corn, and oil-producing crops.

On 12 March, the Cuban delegation headed by Hidalgo signed an agreement with the Ukraine, which raised the ties between Havana and Kiev to the ambassadorial level.

Ambassador Cites Pentagon 'Internal Document'

PA1703163892 Mexico City NOTIMEX in Spanish 0943 GMT 17 Mar 92

[Text] Mexico City, 17 Mar (NOTIMEX)—The United States seeks to harass Cuba militarily and continue its diplomatic pressure in international forums to discredit Cuba and lessen the legitimacy of its regime, Cuban Ambassador to Mexico Jose Fernandez de Cosio has stated.

Speaking at the Sixth National Congress of Doctors at Law that is being held at the National Autonomous University of Mexico, the diplomat pointed out on 16 March that he based his remarks on an internal document of the Pentagon entitled "Defense Planning Guide."

He added that this report includes the strategic, political, and military guidelines the United States must follow in the immediate future to guarantee its supremacy and peace in the Americas.

Fernandez de Cosio added that one of the chapters in the document refers to the need to prepare military programs and capacities for coping with several possible contingencies in Cuba, if necessary.

He emphasized that the United States has resorted to all imaginable procedures that violate international law in an attempt to subdue Cuba, but ita lack of success for over 30 years has been due to national unity in his country.

Fernandez de Cosio stressed that these actions include an economic blockade, direct military aggression, plans to sabotage the economy and murder the revolutionary leaders, as well as campaigns to discredit Cuba and seek its diplomatic isolation.

The ambassador spoke of the pressures his country has endured recently, which have reached levels unprecedented in the history of his people.

To conclude, he said that the attempt to establish unilaterally, but on an international level, guidelines as to how independent states should organize their democratic systems is unacceptable, in addition to the fact that this is being done for political and ideological motivations.

Castro Visits With Potato Harvesters

FL1703214692 Havana Radio Rebelde Network in Spanish 1800 GMT 17 Mar 92

[Text] Commander in Chief Fidel Castro visited Alquizar, San Antonio de los Banos, Batabano, and Guira de Melena Municipalities on 16 March to check on the progress of the food program. The leader of the Revolution spoke with the mobilized workers about the responsibilities which they now have in the potato harvest.

Mexican Group Promotes Joint Investments

FL1703230992 Havana Radio Rebelde Network in Spanish 1800 GMT 17 Mar 92

[Text] The Advisory Group for Social Advancement [Consultora de Asesores para el Avance Social], based in Mexico City, promotes joint investments between Mexico and Cuba on the basis of just principles in favor of prioritized sectors of the Cuban economy. Juan Gerardo Dominguez, the treasurer and economist of the Mexican advisory group, explained for this newscast the two postulates that are advocated by this public association.

[Begin Dominguez recording] The first one is that they must be investors who are somehow identified with Latin Americanism, Latin American integration, and efforts to break the embargo that continues against Cuba. The second criterion is that all the joint investments must be somehow directed towards starting up Cuba's industrial infrastructure. Cuba has the machinery and equipment, the technology and qualified personnel, but has a very serious lack of raw materials. [end recording]

Dominguez also explained how the advisory group conducts the development of joint investments with Cuba.

[Begin Dominguez recording] Therefore, our work will concentrate on coupling those resources which Cuba has in terms of machinery, equipment, and technology, with Mexican capital and raw materials, concentrating, of course, on the prioritized sectors designated by the Cuban Government, which are the food sector; the finished products industry, such as the textile industry; and the intermediate products industry, such as raw materials needed in Cuba for other industries.

To summarize, we seek to cooperate so that these sizable shortages that the Cuban people have experienced—products such as detergents, toilet paper, certain processed food items, and spare parts for the automotive industry, the buses, the trucks which are needed to transport products in Cuba—could begin to overcome the crisis that they are presently experiencing through Mexican joint investments. [sentence as heard] [end recording]

The Advisory Group for Social Advancement has also presented three projects by Mexican companies interested in exchanging powdered milk, cutting tools, and sulfur for Cuban products or raw materials.

Civil Defense Exercise Aimed at Epidemics

FL1703212792 Havana Radio Rebelde Network in Spanish 1800 GMT 17 Mar 92

[Text] On 11 April, the Meteor 92 Exercise will begin throughout Cuba. Historically, the Meteor Exercises are organized by the civil defense, with the participation of all the people and the main institutions and organizations. They prepare us to confront all types of natural catastrophes. In past years, this necessary training has been based on the characteristics of each province and on solving local problems. Such is the case in the eastern region, where steps have been taken to guarantee the security of the people and the economy in case of earthquake. This year, 1992, the exercise will adapt its study objectives to the most common current problems. Therefore, the theme of the Meteor 92 Exercise is organizing and putting into practice protective measures against the occurrence of serious contagious diseases and eliminating them.

On 11 April, from 0700 until 1400, more than 50 percent of all municipalities in the country will wake to the holding of practical exercises aimed at improving response time and methods of response to the occurrence, detection, and elimination of any disease of this type, which includes a simulated outbreak of cholera. Even though there have not been any cases reported in our country, an effective response system has been organized, and the efforts of the different agencies have been coordinated; together with the people, they would guarantee the protection of the populace. These agencies include the Ministry of Public Health, the Armed Forces, and the Ministry of the Interior.

Havana Notes Moscow Demonstration

FL1803023692 Havana Radio Rebelde Network in Spanish 0000 GMT 18 Mar 92

[Text] About 100,000 people gathered today in Manezh Square in Moscow to demand the resignation of President Boris Yeltsin and the restoral of the Soviet Union. The demonstration surpassed government predictions about the number of participants. The peaceful event near the Kremlin was held to advocate reviving the Supreme Soviet of the former Soviet Union, thus electing a new president as well as a new minister of defense.

In spite of the predictions by the government of the Russian Republic and the last-minute surveys, the Moscow labor movement and other movements having differing views achieved their aim and even filled the streets leading to the square. The former People's Assembly of Russia, which served as a call for the demonstration, approved a five-point agenda. The document included ratification of the results of the 17 March 1991 referendum, when the majority of the populace had supported continuation of the USSR.

During the three hours the rally lasted, those present considered Colonel General Albert Makashov the only leader capable of bringing the country out of its current political, economic, and social crisis. Aside from bans and threats, the speakers at the demonstration criticized the disbanding of the Soviet Armed Forces and also censured the current leadership for having allowed blood to be shed and bringing the country to the verge of civil war. Among the placards carried by hundreds of thousands of Muscovites, one could read the following slogans: "Yeltsin, Bush's Lackey"; "Try Popov for the 23 February March"; "Soviet Union, Symbol of the Guarantee of Stability, Legality, and Progress."

The giant demonstration took place to support the sixth congress of people's deputies of the former USSR, which had been held semi-clandestinely a few hours before on the outskirts of Moscow.

Haiti

Belizaire Summons Parliament to 18 Mar Session

FL1703232292 Port-au-Prince Radio Soleil Network in Creole 1930 GMT 17 Mar 92

[Text] In a letter of summons to appear, Dejean Belizaire, president of the National Assembly, conveys his compliments to the honorable senators and deputies and takes the honor of inviting them to meet in National Assembly on Wednesday, 18 March at 1600 GMT. The Senate president also takes the opportunity to extend his highest respects to the senators and deputies.

Cabinet Note Explains Court Action on Agreement

FL1703154492 Port-au-Prince Radio Nationale in Creole 1100 GMT 17 Mar 92

[Report on note issued by the Haitian Council of Ministers on 17 March in Port-au-Prince]

[Text] The Council of Ministers, presided over by Judge Joseph Nerette, met on 16 March 1992, that is yesterday, and advises everyone that they carefully analyzed the report of the ministerial committee in charge of entering into negotiations with the Parliament on the 23 February Washington agreement.

The Council of Ministers has noted the efforts of conciliation that the executive has made, especially the creation of this ministerial committee. The Council of Ministers has formally acknowledged the unilateral decision of the Parliament to convoke the National Assembly for the ratification or rejection of the agreement, putting a de facto end to the talks.

The Council of Ministers has noted, as well, the conflict existing between the executive and the legislature as to the constitutionality of the agreement and the ratification procedure adopted by the Parliament.

The Council of Ministers has therefore decided—in view of the nonexistence of the arbitration committee provided for in Article 111 Sections 5 and 206 of the Constitution—to put this conflict before the Court of Cassation in accordance with Article 111.7 of the Constitution.

This note is signed by all ministers who participated in the council that met, as we told you, yesterday, 16 March 1992.

Assembly To Meet Despite Reported Delay Request

FL1803130792 Port-au-Prince Radio Metropole in French 1200 GMT 18 Mar 92

[Text] We have learned that a step [rephrases] a decision has been reached. This was read on Television Nationale d'Haiti. It is about a court clerk who has allegedly asked the National Assembly to stop any convocation of the National Assembly for eight days in order to await a decision from the Court of Cassation.

But when we contacted the National Assembly president, Senator Dejean Belizaire, this morning, he told us that he did not know about any such decision or a request from the provisional executive.

He said that the National Assembly meeting for the ratification or the rejection of the agreement is still scheduled for this morning.

Government Reportedly Trying To Block Meeting

FL1803132692 Bonaire Trans World Radio in English 1130 GMT 18 Mar 92

[Text] Haiti's legislative assembly is to meet today in a joint session to debate an agreement designed to allow ousted President Jean-Bertrand Aristide eventually to return to power. Reports say that unless there is another last minute postponement, the National Assembly president, Senator Dejean Belizaire, will convene the joint session this morning.

Mr. Aristide has appealed to the OAS to continue supporting democracy in Haiti. He told the OAS Permanent Council in Washington yesterday that even if Haiti's Parliament ratifies an agreement mediated by the organization he likely would not be back in office any time soon.

Mr. Arsitide said Haiti's military-backed provisional government is trying to pressure legislators to delay the vote or to cast their ballots against the plan.

Further on Supreme Court Position, Intervention

FL1803000792 Port-au-Prince Radio Metropole in French 1700 GMT 17 Mar 92

[Report by correspondent Rothschild Francois]

[Text] In what way may the Supreme Court intervene in the crisis? Our correspondent Rothschild has the following report.

[Begin Rothschild recording] The Supreme Court president, whom we contacted on 16 March, avoided making any statements on this subject. Lawyer Emile Jonassin, however, has reminded us that the Supreme Court cannot pass judgment on political questions. In February, the members of the Supreme Court declined an invitation from the Senate. The Upper Chamber had indeed wanted to have the judicial body's opinion on a possible solution to the Haitian crisis.

The members of the Supreme Court were appointed to their positions following the 30 September coup. Less than 48 hours before the session of the National Assembly in Port-au-Prince, observers are wondering about the position the Supreme Court will take in this debate on the Washington agreement. [end recording]

Louis Dejoie Supports Washington Agreement

FL1803005492 Port-au-Prince Radio Soleil Network in Creole 1930 GMT 17 Mar 92

[Italicized passages in French]

[Text] The Agricultural and Industrial National Party, PAIN, led by Louis Dejoie II, supports the agreement due to be presented on 18 March before the Haitian Parliament for ratification in one way or another. In a statement to the nation today, Louis Dejoie II pointed out that two points were very important in this agreement: the general amnesty for all of the Haitian military and the restriction of foreign forces in Haiti.

That is the reason Louis Dejoie II asks the executive to sacrifice several principles to ensure the country's integrity, the national economy's survival, and the protection of the state institutions.

[Begin Dejoie recording] *As a consequence, the Agricultural and Industrial National Party, PAIN, faithful to its traditional guidelines, supports, along with the other strong democratic forces in the country, the ratification of the agreement in which the two most important points are the general amnesty and the restriction of all foreign military forces in the country. It is in this same spirit of patriotism and abnegation that PAIN, aware of the necessity to achieve the reconciliation of the Haitian family, so torn apart today, urges the executive to sacrifice several principles—as just as they may be—to ensure the integrity*

of the national territory, the economic survival of the nation, and the state institutions.

Louis Dejoie II added that the 30 September events clearly show that personal power is over in Haiti and that the fact that the Parliament was able to hold on for five months in a crisis is proof that democracy is on its way in the country. Louis Dejoie II thinks that everyone's ideas must reconcile to free the country of the crisis it is now facing. The PAIN leader asks for Haiti's immediate reinstatement in the diplomatic world so that economic aid can resume and the OAS embargo lifted.

[Begin Dejoie recording] *Today PAIN is aware, first, that the 30 September experience has shown once again that personal power in Haiti is a thing of the past.*

The Haitian Parliament, which has been able to hold on during these five months of crisis, is proof that representative democracy is on its way to success in Haiti.

And finally, because of the great damage the political crisis has done to institutions, the economy, and society, in order to proceed it will be necessary for a calming of emotions and a real willingness to reconcile the various interests of the main sectors of the population. [end recording]

Finally, Louis Dejoie II states that only a government of national consensus can extricate the country from the situation it is now facing.

Intimidation in Cap-Haitien 'Tending To Fade'

FL1703191692 Port-au-Prince Radio Metropole in French 1145 GMT 17 Mar 92

[Report by correspondent Ronald Jean in Cap-Haitien]

[Text] Since the beginning of the political crisis, the Cap-Haitien broadcast medium has been reduced to its simplest expression. Despite the population's desire to be informed about the future of the country, everyone remains thirsty. The wave of intimidation that prevailed in the first days after the military coup against Aristide is tending to fade. However, medium directors are still hesitant. Consequently, the population is forced to make do with foreign or Port-au-Prince radio stations that can barely be heard in the north.

But the reactions from the north are not heard. There are many people who would like to give their opinion on the main issue in the national news, that is, the signing of the agreement between the parliamentarians and the ousted president. They see Television Nationale d'Haiti without being able to say a word. All we can say exactly is that it is (?hard) to speak of life in Cap-Haitien. Let us not mention it. Let us only add the problem of electric energy, water—in short, worry and distress.

Cabinet To Send Envoy To Work Against Embargo

FL1703170192 Port-au-Prince Radio Metropole in French 1400 GMT 17 Mar 92

[Text] The provisional government is taking steps for the lifting of the embargo. Port-au-Prince has hired businessman Lord F. Collins. The special envoy of the provisional government has to go to Washington, Montreal, Mexico City, and Caracas.

In an interview with the press, Lord Collins, the owner of the multinational enterprise Multiservices Agency, said his mission is that of a public relations agent for the Haitian Government. He also represents a group of 100 Haitian industrialists who are trying to arrange the immediate lifting of the economic sanctions that hit the country.

The emissary of the provisional government is considering meeting with ousted President Jean-Bertrand Aristide in Washington or in Caracas.

Studies on Refinery, Airline Reported Under Way

FL1703170392 Port-au-Prince Radio Metropole in French 1400 GMT 17 Mar 92

[Text] A report from the Council of Ministers dated 12 March provides information about the government's plan to establish a petroleum refinery in Haiti. The plan was announced by the minister of commerce and industry. Studies on this plan and one regarding founding a national airline are reportedly already under way.

El Salvador

Copaz Commission Begins Work on Land Issue

PA1703144592 San Salvador Canal Doce Television in Spanish 0300 GMT 17 Mar 92

[Text] The Land Commission created by the National Commission for the Consolidation of Peace [Copaz] confirmed today that a commitment was made on 14 March to curtail further land takeovers and evictions. The members of the commission added that the Farabundo Marti National Liberation Front [FMLN] has submitted its inventory of properties, which covers all of the departments of the country except for Sonsonate and Ahuachapan.

The commission began its work on land matters on 16 March with renewed optimism, although over the past few weeks the issue has seemed irreconcilable. Following the opportune visit by UN Deputy Secretary General Marrack Goulding, new prospects are now emerging. The land takeovers and evictions ceased on 14 March. In addition, the process to identify properties was to begin on 16 March, based on an inventory that affects 12 of the country's 14 departments.

[Begin recording] [First unidentified speaker] Two departments will not be included in the inventory. That allows the commission to work at a rapid pace. The farmers in those two departments began to work fully assured that their lands belong to them and [words indistinct] the land. Of course, we plan to work on the inventories in the rest of the departments. We plan to begin work on the inventory once we have established the criteria.

[Second unidentified speaker] It is important to feel assured that the land takeovers and evictions ceased as of 14 March. Any takeover after this date will not fall within the framework of the agreement. [end recording]

The preliminary criteria for handling the cases in dispute were also announced today. For instance, a landowner who worked his land during the war is entitled to continue working it, even if that property is included in the FMLN inventory or other persons are occupying it. In this case, the commission must relocate the latter. A processing office will open to distribute a form that will help classify all the necessary information, which will serve to channel resources and streamline solutions.

Suspects in Killing of U.S. Advisers Surrender

Identified as FMLN Guerrillas

PA1703160992 San Salvador Canal Doce Television in Spanish 0300 GMT 17 Mar 92

[Report by Fausto Balladares]

[Text] The surrender of two guerrillas of the Farabundo Marti National Liberation Front [FMLN] accused in the killing of two U.S. military advisers in January 1991 in San Miguel Jurisdiction was expected to take place today, 16 March, but was postponed until 17 March for reasons unknown. The guerrillas, identified only as Dominguez and Porfirio, were supposed to appear before the Chinameca Lower Court in San Miguel Department. According to Judge Elmora Andrade, there is evidence that Ernest Dawson and David Pickett were murdered after their aircraft crashed.

[Begin Andrade recording] We know that the two persons were seriously wounded. One of them was sitting and the other was half reclining when Porfirio shot them. [end recording]

It was reported in Chinameca that a U.S. Embassy official called to ask to be present during the interrogation of the accused. Andrade said that the request cannot be granted. No one has come forward to file a complaint in the case involving the two guerrillas.

[Begin recording] [Andrade] Only the parties, the judge and the secretary, will be there.

[Reporter] What parties have filed [words indistinct]?

[Andrade] No. [Words indistinct] no one has come forward to file a complaint. [end recording]

According to Salvadoran law, Porfirio and Dominguez cannot be extradited as U.S. authorities may request. The two guerrillas could receive from 20 to 30 years in jail if found guilty.

Extradition to U.S. Ruled Out

PA1703161892 San Salvador Canal Doce Television in Spanish 0300 GMT 17 Mar 92

[Text] The report which stated that Jorge Shafik Handal, commander of the Farabundo Marti National Liberation Front [FMLN], was going to turn over to the authorities two guerrillas accused of killing two U.S. servicemen, was carried by the U.S. news agency UPI and not by ACAN-EFE, as we announced in this newscast.

Justice Minister Rene Hernandez Valiente said today that the laws of the country do not allow the extradition of Salvadorans to be tried under another judicial system. For that reason, he said, the FMLN rebels accused of killing two U.S. advisers cannot be tried under U.S. laws.

[Begin Hernandez recording] If a degree of credibility and reliability exists, I believe that any political system of any country in the world, no matter how big or small that nation may be, should respect this. [end recording]

These were the first remarks by Justice Minister Hernandez Valiente on the U.S. request that the Salvadoran authorities extradite the FMLN fighters. The official added that the Constitution does not allow the extradition of Salvadorans, although it does allow the extradition of foreigners.

[Begin Hernandez recording] The Constitution clearly bans the extradition of Salvadorans, who must be tried

for crimes committed in this country by our own courts, judges, and jury. When these two turn themselves in to the authorities tomorrow, they will, as Salvadorans, be tried in accordance with our laws. Extradition would not apply to them if they are Salvadorans. [end recording]

Dr. Hernandez Valiente said that the two FMLN rebels who are about to surrender may receive the benefit of amnesty, which may mean the Truth Commission will handle the case.

[Begin Hernandez recording] The amnesty law creates the possibility of a second round of amnesty. The Legislative Assembly would have to decide on any case heard by the Truth Commission if amnesty is in order. It must decide whether a new amnesty decree applies prior to December 1992. At that time the Truth Commission may conclude, although belatedly, its work to verify and clarify cases. [end recording]

As announced, the two guerrillas will be turned over to the Chinameca Court soon, where it has been assured that they will be treated in accordance with the laws of the country.

Rebels Surrender

PA1703165992 Panama City ACAN in Spanish 1624 GMT 17 Mar 92

[Text] San Salvador, 17 Mar (ACAN-EFE)—The Salvadoran guerrillas today surrendered to the authorities two combatants charged with the murder of two U.S. military advisers following the downing of the helicopter in which they were traveling in January of 1991, a local radio station has reported.

The guerrillas identified as "Commander Aparicio" and Ferman Hernandez ("Porfirio") turned themselves in to a court in the eastern city of Chinameca, accompanied by rebel leader Jorge Melendez ("Commander Jonas").

Lieutenant Colonel David Pickett and Corporal Earnest Dawson of the U.S. Army were allegedly murdered by these two combatants of the Farabundo Marti National Liberation Front (FMLN), who gave them a "final shot" after shooting down the helicopter in which they were traveling with rifle fire.

Another U.S. military adviser identified as Daniel Scott, who was also traveling in the helicopter, died when the aircraft crashed.

The two rebels charged with the murder of the U.S. military officers have been placed under the jurisdiction of Dinora Andrade, judge of the First Chinameca Court.

Suspects' Testimony Begins

PA1703202592 San Salvador Radio Cadena YSKL in Spanish 1715 GMT 17 Mar 92

[Report by Alirio Pena]

[Text] This is a report from Chinameca, San Miguel Department:

At approximately 1000, the persons implicated in the murder of two U.S. advisers after their helicopter was shot down in the town of San Francisco, Lolotique, Chinameca Jurisdiction, began to give testimony. Severiano Fuentes, alias Commander Aparicio, and Ferman Hernandez, alias Porfirio, are testifying before Judge Dinora del Carmen Andrade de Lazos, three officials of the prosecutor's office, representatives of the UN Observers for El Salvador, Chief Justice Mauricio Gutierrez Castro, and defense lawyer Omar Disraeli Pastori. Here are the remarks by Mauricio Gutierrez Castro, when asked about the situation and the views of the Supreme Court with regard to the voluntary surrender of the individuals implicated.

[Begin recording] [Gutierrez] This means that members of the Farabundo Marti National Liberation Front [FMLN] recognize the principle that a real and specific possibility of administering justice in our country exists. I can tell them that they are not mistaken. The trial will be handled with all the guarantees of the law and all the guarantees afforded any person brought to trial. It is worth noting that there is only one path available to the people of El Salvador to settle our differences. We would not need a Truth Commission if all Salvadorans did their share to move justice forward in our country.

All the countries that have reached a level of development have done so on a foundation of peace. Peace has been achieved because they respect the law and settle their differences by following legal procedures. In this respect, we have here a very important development, as was the Jesuits case. One could say that we have here another side of the coin. It constitutes a starting point so that people can see that the law is applied equally to everyone. As far as the trial is concerned, no one can be granted privileges. The law must be applied equally to all.

[Reporter] In sum, the standing of Salvadoran justice comes out well with the sort of developments taking place now.

[Gutierrez] Yes, as I said a few minutes ago, this is a positive development. We cannot overlook that the FMLN has turned these men over to Salvadoran justice, considering that it had the opportunity to submit them before other legal venues. This means it is making a direct contribution to strengthen the rule of law and our institutions, particularly the judicial system.

[Reporter] There is a great deal of talk about this matter, and the print and voice media are reporting that the United States will seek their extradition. How does the Supreme Court feel about this case?

[Gutierrez] The United States has not yet requested any extradition, but said that according to its laws the case can also be tried by U.S. courts. If there is an extradition

request, the answer would be no, because our Constitution does not allow the extradition of Salvadoran citizens under any circumstances. [end recording]

Guatemala

* Union Members, Minority Leaders Threatened

92CA0100A Guatemala City PRENSA LIBRE in Spanish 6 Feb 92 p 3

[Text] Leaders of Unity of Trade Unions and Popular Action (UASP) charged during a meeting yesterday with Defense Minister General Jose Domingo Garcia Samayoa that several of its members had received death threats.

They also asked the senior military chief to end the forced recruitment of young men, that organized peoples' groups share in the dialogue with the Guatemalan National Revolutionary Unity (URNG) and that hostilities be ended against the Communities of Population in Resistance (CPR).

Present at the meeting, among others, were Rosalina Tuyuc, of the National Widows' Committee (Conavigua), Otto Peralta of the Association of University Students (AEU), Edgar Batres of UASP, Carmelita Ross of CPR, and leaders of other union organizations.

At the end of the meeting, Mrs. Tuyuc said that she and other members of UASP had received death threats via anonymous letters and phone calls. Those threatened included Byron Morales, Haroldo Sanchez, Amilcar Mendez, Juan Mendoza, and others.

Mrs. Tuyuc did not accuse any particular group, but she said, "we ask that Minister Garcia Samayoa intervene to stop any further murders among the country's union leaders".

Also present was Otto Peralta of AEU, against whom the Army will soon file a legal charge of defamation. The student recently charged that elements of the Army had thrown explosive charges last week at AEU facilities on the campus of San Carlos University (USAC).

Peralta repeated that for many years the AEU had been the principal target of attacks by military groups, more than sufficient reason to blame, if not the entrie military institution, at least groups that could be protected by certain sectors of the Army. We request an investigation to determine responsibilities, he said.

The leader of UASP, Edgar Batres, spoke of the need for the organized popular sectors in Guatemala to participate in the pro-peace dialogue with the URNG. At the moment, he pointed out, the dialogue is only between the official sector and the guerrillas, but all the other sectors have been excluded, those who have been most affected by the armed struggle.

Another of the subjects raised with Gen. Garcia Samayoa related to military recruiting since in several case, according to Mrs. Tuyuc, young men are virtually seized and attacked by groups from the Army. Furthermore, minors are often captured and forced to enlist.

Also at the meeting was Professor Rosalina Ross of the CPR, who said that she asked the minister that "the Army end its attacks on the CPR". At the end of these discussions the union leaders expressed their satisfaction over the responses of the defense minister, who promised to study their proposals so that he could reply to them shortly.

* Protest Rights Abuses

92CA0100C Guatemala City PRENSA LIBRE in Spanish 10 Feb 92 p 34

[Text] Leaders of nine union and popular organizations met with the Deputy Solicitor for Human Rights, Lawyer Cesar Fernando Alvarez Guadamuz and requested that the Office of the Solicitor open an investigation into the wave of repression which is closing in on the leadership of those organizations and that it speak out on the situation.

The leaders said that the institution must speak out and conduct the necessary inquiry, as well as take steps to guarantee the life, liberty, and the physical and moral integrity of the leaders and members of the Unity of Trade Union and Popular Action and of the Association of University Students (AEU) because the peace process in Guatemala is in danger.

The wave of intimidation, they noted, began with the bomb that exploded in the offices of the AEU on the night of January 30, 1992, and was a warning of more violent acts, such as forcible disappearance and murder.

The leaders said that their organizations are convinced that this campaign being waged in the city and countryside is an attempt to stop and destroy the mobilization and participation of the people in the national movement for peace that inspires civil society.

The leaders also expressed their concern over rumors of planned repression. They said that various fellow members in fact had received serious threats.

Lastly, they asked Lawyer Alvarez Guadamuz to follow the trial that the Army is prosecuting against Otto Peralta, secretary general of the AEU, which they consider a threat to the trade union and popular movement.

The Deputy Solicitor for Human Rights said that his office had already taken the steps necessary to open an investigation of the incidents and that, based on the results, there would be an announcement in the next few days.

Panama

Former Army Major Calls For Insurgent Movement

PA1703180792 Panama City EL PANAMA AMERICA in Spanish 17 Mar 92 p 1-A

[Text] Hours after unidentified persons spread a rumor in Panama and the United States that Panamanian

President Guillermo Endara had resigned, a man identifying himself as Major Carlos Saldana called on the Panamanian people to join together and form an insurgent movement under his command.

Saldana spoke on a local radio station. The alleged rebel leader operating clandestinely denied any connection with the M-20 [20 December Movement] and announced the formation of the "Torrijist National Vindication Movement" (MTRN) [Movimiento Torrijista de Reivindicacion Nacional].

The former officer, also known as "Superman," encouraged all Panamanians and his "companeros" from the former National Guard and Dignity Battalions to join the MTRN.

This sudden action by Saldana comes at the same time as intelligence reports indicating that Lieutenant Alcibiades de la Cruz, who is wanted by Panamanian authorities along with Saldana, has left the country across the Costa Rican border.

This is the third communique issued by Saldana in less than a month. In previous statements he announced the formation of a military high command to oppose the government of Guillermo Endara, and warned that the recent Carnival festivities would be sabotaged if the U.S. Southern Command participated.

Saldana is 37 years old. He graduated from a Uruguayan military academy and is being sought by the Attorney General's Office, which has offered a $5,000 reward for any information as to his whereabouts. The former soldier has been accused of being responsible for several robberies to obtain weapons with which to overthrow President Endara.

This latest communique coincides with the fourth anniversary of an unsuccessful 1988 attempt to overthrow General Manuel Noriega, which was carried out by officers of the former Panama Defense Forces.

Police Disperse Demonstration of Unemployed

PA1703174192 Panama City LA PRENSA in Spanish 17 Mar 92 p 1

[Article by Vilma E. Figueroa B.]

[Text] National Police personnel on 16 March used tear gas and birdshot to disperse demonstrators who have demanded jobs in Colon since 12 March.

Members of the group identifying itself as the Unemployed Movement [Movimiento de Desempleados], gathered at the San Jose Church, at the intersection of Ninth Street and Central Avenue, and proceeded to block the streets with various objects, including tires and trash containers.

The police intervened at 1200 and dispersed the demonstrators with tear gas and birdshot fired into the air. They arrested Raul Antonio Veliz Gonzalez.

The demonstrators hurled Molotov cocktails at the policemen, but their clash with the police left no injured.

Carlos Moore, member of the Colon Chapter of the Human Rights Committee, told LA PRENSA that Veliz was arrested and held incommunicado. He added that Veliz was beaten up during his arrest, but the authorities denied this charge.

Meanwhile, Colon Mayor Alcibiades Gonzalez said that the Unemployed Movement had presented requests to the offices of the governor and the mayor to hold talks with President Guillermo Endara and ministers of state having to do with sources of employment.

The mayor added that the unemployed demanded to meet with Endara on 11 March, but the president could not visit Colon on that date because of previous appointments. As a result, the demonstrators blocked the entrance to Colon on 12 March.

Gonzalez said that the demonstrators are using the church patio as a refuge.

Finally, he pointed out that the movement initially "appeared aimed at presenting demands," but it has now become politicized.

Residents Protest Government Noncompliance

PA1703182292 Panama City EL PANAMA AMERICA in Spanish 17 Mar 92 p 1A

[Article by Juan M. Diaz]

[Text] On 16 March, residents of the Chorrillo neighborhood blocked the entrances to the Bridge of the Americas for six hours to protest the national government's noncompliance with the payment of 3,500 balboas to affected persons—to purchase household effects lost during the 1989 invasion.

The demonstrators clashed with the National Police riot squad, which dispersed the protest using birdshot and tear gas. No casualties or arrests were reported during the police action.

Lucas Zarak, legislator for the Arnulfist Party, promised to mediate between the national government and the people of El Chorrillo to reach a peaceful solution to the conflict.

Blocking the bridge led to traffic congestion that mostly affected people who were trying to travel to and from the capital city and to and from the interior of the Republic.

Two government-owned trucks were seized during the demonstration and attacked with stones. They were then used as barricades to prevent the movement of other vehicles. The trucks were removed by the Traffic Department when the demonstration ended.

Argentina

Bomb Attack Against Israeli Embassy Reported

Embassy 'Virtually Destroyed'

PY1803002092 Buenos Aires TELAM in Spanish 2315 GMT 17 Mar 92

[Text] Buenos Aires, 17 Mar (TELAM)—Police sources have reported that 10 people were killed and 95 injured in the attack this afternoon on the Israeli Embassy, which is located at the corners of Arroyo and Suipacha Streets.

The explosion, which virtually destroyed the embassy building, also caused major damage to nearby buildings and destroyed about 20 vehicles parked near the embassy building.

Some of the victims are still underneath the debris, and special brigades are tirelessly working to remove more bodies from the rubble.

Meanwhile, Buenos Aires Mayor Carlos Grosso reported at 2230 that he has a report that places the number of victims at three dead and [words indistinct]

Menem Blames Nazi 'Remnants'

PY1703191492 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1852 GMT 17 Mar 92

[Text] Buenos Aires, 17 Mar (NA)—President Carlos Menem confirmed a few minutes ago that a bomb exploded at the Israeli Embassy and that "there is no confirmation thus far of any deaths or injuries."

Menem blamed the attack on "some sectors that are overwhelmed by the tasks the national government is undertaking."

Menem unexpectedly left Olivos residence and went to the press room to report the news.

[Buenos Aires TELAM in Spanish at 1855 GMT on 17 March in a similar report adds: Commenting on who might be responsible for the attack, Menem said: "These are actions of remnants of Nazism and of some fundamentalist groups that have already been defeated in Argentina," among whom he includes the "painted faces."]

Exploding Arsenal Theory Denied

PY1703202392 Buenos Aires TELAM in Spanish 1957 GMT 17 Mar 92

[Text] Buenos Aires, 17 Mar (TELAM)—Today, government sources categorically denied a report that the Israeli Embassy in Buenos Aires blew up when an alleged arsenal in the embassy exploded.

The Interior Ministry, which will soon release a declaration on the explosion, reiterated that all available information is being carefully evaluated as part of an investigation.

Police on 'General Alert'

PY1703204092 Buenos Aires Argentina Televisora Color Network in Spanish 2015 GMT 17 Mar 92

[Text] Here is a last minute report: The Federal Police have just called a general alert and assigned all their units to guard temples, schools, and other Jewish community buildings. Police units have been ordered to react immediately to suspicious vehicles that are parked or circulating near Jewish community buildings.

Jewish Organizations Receive Threats

PY1703203492 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2020 GMT 17 Mar 92

[Text] Buenos Aires, 17 Mar (NA)—Jewish organizations in Argentina, such as the Argentine-Israeli Cultural Exchange Institute, received telephone threats this afternoon.

During a phone call to the cultural institute, a person who did not identify himself said: "We are going to tear you apart."

Safety measures have been taken at various Jewish organizations.

TV Reports Anonymous Threats

PY1703211792 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2106 GMT 17 Mar 92

[Text] Buenos Aires, 17 Mar (NA)—Shortly before 1800 [2100 GMT], Channel 13 reported that it received an anonymous phone call. The caller said: "Today it was an embassy, tomorrow it will be a ministry. Beware of the Nazis."

This report was released by journalist Monica Cahen D'Anvers during coverage of the explosion that destroyed the Israeli Embassy and other nearby buildings.

'Pro-Palestinian Group' Claims Credit

PY1703215692 Buenos Aires Argentina Televisora Color Network in Spanish 2141 GMT 17 Mar 92

[Text] A DYN [DIARIOS Y NOTICIAS] report just received reads as follows:

An anonymous individual with a foreign accent has just told Radio Mitre that the bomb attack on the Israeli Embassy was perpetrated by a so-called pro-Palestinian group for a free Palestine.

Bombing, Attack in Turkey Linked

PY1703221092 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2140 GMT 17 Mar 92

[Text] Buenos Aires, 17 Mar (NA)—Argentine Ambassador to Israel Hugo Gobbi said that the attacks today against the Israeli Embassies in Argentina and Turkey were staged by "the same international forces."

In statements this afternoon from Israel to Argentina Televisora Color, the ambassador said: "Those who commit this type of attack do not select the place but take advantage of places that are appropriate for other reasons."

He said he has information that the blast that destroyed the Israeli Embassy in Buenos Aires was caused by a car bomb, like in Ankara, where the bomb was, however, "less powerful," noting that only one guard died there.

He said that Israeli society "has been moved" by the events, adding that he received phone calls from embassy employees to calm their relatives who are living in Israel.

The ambassador said: "This is a dark day for Israel. All is too dramatic."

Palestinian Office Condemns Attack

PY1703231492 Buenos Aires TELAM in Spanish 2252 GMT 17 Mar 92

[Text] Buenos Aires, 17 Mar (TELAM)—The Palestine Information Office of the Republic of Argentina released a communique today signed by office director Suhail Hani Daher Akel strongly condemning the attack against the Israeli Embassy in Buenos Aires.

The communique says: "This type of violent act only harms democracy, sovereignty, and basically the dialogue among men and peoples."

The communique adds: "Because Palestinians are victims of violence in our occupied fatherland and we know about pain, we repudiate these acts."

Foreign Ministry Issues Communique

PY1803003492 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2350 GMT 17 Mar 92

[Text] Buenos Aires, 17 Mar (NA)—On behalf of the national government, the Foreign Ministry expressed "its strongest condemnation of the serious attack on the Israeli Embassy in Buenos Aires today" and conveyed to the officials "of that friendly nation and to relatives of the victims its expressions of sympathy and solidarity."

The Foreign Ministry also stated in a communique that "this repudiated terrorist action has caused the death of innocent victims among personnel of that diplomatic mission and Argentine citizens."

The communique adds: "Moreover, it caused important property damage to other foreign embassies, to a Catholic Church, to a parochial school, to a home for the elderly, and to private homes and buildings."

It added: "The Argentine Government and people stress its traditional ties with Israel and convey to the officials of that friendly nation and to the relatives of the victims their expressions of sympathy and solidarity."

"Moreover, the Interior Ministry has ordered an immediate and thorough investigation to explain the attack as soon as possible, and to hand over to the courts those who may be responsible," it stated.

It added: "Argentina reaffirms its categorical rejection of terrorism, which represents an unacceptable means of political expression and undermines peace and stability in the world."

The communique concludes by saying that "faithful to the essential values, principles, and objectives of the United Nations, our country will continue supporting international efforts to end this scourge" and "within this framework, is willing to coordinate with friendly countries effective measures on this and other terrorist attacks."

Menem Holds News Conference

PY1803013092 Buenos Aires Argentina Televisora Color Network in Spanish 2300 GMT 17 Mar 92

[News conference with President Carlos Menem at Government House in Buenos Aires—live]

[Text] [Nora Castro, Radio America] I have two questions. The first one is whether you have received any kind of U.S. Embassy report that its experts already are working with Israeli experts? The second question is whether you see any links between this attack and the opening of the Nazi files that your government recently has ordered?

[Menem] If I have to talk about this, I will do it in very uncertain terms because we are in the middle of the investigation. You should not forget that the action occurred less than five hours ago, and I reiterate that the debris is still being removed. The CIA is working on it, and so are the services that the Republic of Israel has here and also, obviously, the Argentine security organizations. They are working jointly.

I reiterate that there are several versions of where the explosion occurred. I suppose we will know this in a few hours or by tomorrow. Some organizations claim that the explosion occurred inside the building, while others claim that it was a car bomb. Still others mention a chain attack, that is, three bombs that went off in sequence, either inside or outside the embassy. I reiterate, however, that we cannot give any final opinion on these versions.

[Unidentified reporter] [Question indistinct]

[Menem] I beg your pardon? No, no. It could be [chuckles] a factor, but not that important, not at all.

[Eduardo Mirabelli, REUTERS] Does the government have specific information to limit the investigation to specific suspects?

[Menem] No, the investigation will now be broad, very broad. However, we will mainly take into account the input that we receive from abroad and what we said about the attack as soon as it occurred—because I met with journalists at the presidential residence. We said that the attack could have been staged by fundamentalist people. My remarks have been confirmed by both the Israeli foreign minister and president. I have no major doubts about the group that could have staged this attack. It is a terrorist attack; it is terrorism that operates from inside our country and also from abroad. Yet I reiterate that this does not apply only to Argentina, but practically to the entire world.

You must have read the report with the remarks by the Israeli foreign minister, who said that this series of attacks is very likely to seek to hinder the dialogue that began in search of peace in the Middle East. But they will not succeed because each party is determined to continue with the dialogue and to talk until they attain the objective that they have set for themselves.

[Daniel Fresco, Telefe Noticias] Mr. President....

[Menem interrupts] I beg your pardon?

[Fresco] Daniel Fresco of Telefe Noticias.

[Menem] Yes.

[Fresco] You have said that one of the hypotheses is that a foreign terrorist group could have been operating here in Argentina. Are there any intelligence reports explaining the type of group it is, and is there any action to check the action by these people?

[Menem] I did not say that there are foreign groups that are operating in Argentina. I talked about groups that are operating from abroad, in alliance with some groups of [words indistinct]. We do not have that information yet. Once we have processed all the information that we receive, we will immediately make it public, because some things cannot be kept secret. There are some things in which the entire community has to participate, in this task of providing information and data for catching these beasts and putting them in a safe place.

[Unidentified reporter] [Question indistinct]

[Menem] Well, for the time being, this is the only concrete fact. We will see how things develop in the immediate future. I cannot risk passing judgment. You should not forget that... [hesitates]...it is the president who is speaking.

[Gustavo Silvestre, Channel 13] Mr. President, several anonymous callers this afternoon contacted our station to say that Nazis should no longer be cornered, that the Israeli Embassy was hit today, and that the next target will be a ministry. This can obviously be part of a psychological campaign. Yet it also can be a warning. Are Argentine intelligence organizations working on the issue? What actions have been taken to prevent future attacks like the one that was perpetrated today?

[Menem] I said it before. Intense work is being done on all these matters, on everything having to do with this attack, which should obviously make all Argentines stop and reflect.

[Jorge Paso, Argentina Televisora Color] Mr. President, a radio station this afternoon—specifically Radio Mitre—received a message from a pro-Palestinian group that took credit for the attack. Does the government have this information?

[Menem] It is the same information because the radio station immediately reported it to us. In addition, the radio station immediately reported it to its listeners. Therefore....[changes thought] Yet it was only an anonymous caller, a voice that mentioned a group. This, however, coincides with the information that we received from Israel through its president, and from the United States through the U.S. secretary of state.

[Mariano Biassatti, Radio del Plata] At the Olivos residence this afternoon, you said—and these were your words—that you believed that this was an action by those who were defeated on 3 December 1990. Regardless of who has masterminded the action, do you think the "painted faces" staged this attack?

[Menem] As I said at the Olivos residence, it is a possibility. When I was asked—and I would like to be very clear—when I was asked whether Mr. Seineldin had anything to do with this, I replied that I do not mention names. Those were my words: I do not mention names.

[Javier Benedit, Radio Rivadavia] Has anyone been arrested in connection with the attack?

[Menem] No one has been arrested yet.

[Unidentified reporter] Mr. President, do you have any idea why the terrorists have chosen Argentina? No similar thing has occurred here so far, right?

[Menem] No, no, no. The last action of this....[hesitates] I would not say of this level, because this was a really dramatic occurrence. There were several attacks and bombings during the previous government, and a state of siege was immediately established in Argentina. Twelve persons were arrested, but they turned out to be innocent. We will act with prudence in this matter. There is no possibility whatsoever of decreeing a state of siege. I believe it is not necessary. What we will do is to intensify all measures that can lead us to identify those who are responsible for this action.

[Claudio Rigoli, Channel 9] This type of attack places us on the list of unsafe countries. How will this affect the

Argentine image abroad and the investments that can be made in our country, with an attack like this....

[Menem, interrupting] No, no. Look, the countries that are investing in Argentina, among them Great Britain, are undergoing attacks every day. Or Chile, where there also have been several attacks. Or Spain. There are attacks in Spain every day. Consequently, it will not harm the Argentine image. It will not prompt any changes in the plans of the model that we have set in motion, no matter how hard they try to make us hesitate or stumble in our firm and unescapable determination to continue leading the Argentine Republic along this path. We chose this path almost two and a half ago years ago.

[Ann Heress, UPI] I would like to know whether you have any further information on the 10 people who died in the attack. Are they men, women? What are their nationalities?

[Menem] No, I have no information. I asked Jewish community members 10 minutes ago whether the victims were Jews or descendants of Jews, but they had no information either.

I know there are some children. I know two of them were policemen. I have been told that two of them were policemen.

[Unidentified reporter] Excuse me, sir. Were those children from the school across the street?

[Menem] I beg your pardon?

[Reporter] Were those children from the school across the street?

[Menem] No, no... [hesitates] they were removed from the debris a few minutes ago.

[Reporter] My question has to do with that. You obviously have information leading to the conclusion that the action was an attack and not an explosion caused by another factor.

[Menem] No, for us, it was a terrorist attack.

[Reporter] Do you have evidence that can prove that?

[Menem] [chuckles] The collapse of an entire building....

[Reporter] Sir....

[Menem, interrupting] I know what you are aiming at. You might be thinking that...

[Reporter, interrupting] Sir, a building [words indistinct] collapsed last year after a gas explosion.

[Menem] Well, yes, but all indications thus far lead us to the conclusion that it was a terrorist attack. It would be easier for us to say that it was a gas explosion, but we do not want to conceal the truth. It was a terrorist attack. If evidence proves the opposite, we will then report that it was not a terrorist attack but the result of what you said, an explosion caused by gas or highly flammable material that accumulated somewhere in the area.

[Unidentified reporter] [Question indistinct]

[Menem] In principle, yes. That is the information that we have. Explosives. It is not known whether it was inside or outside the embassy. Among other things, it has been said that it could have been 20 to 40 kg of powerful explosives.

[Patricia Grimberg, DYN] If local people were involved in the attack, do you or the government believe that they could have any links with those who committed the Nazi attack against the Berasategui Jewish graveyard last year—an action that has not yet been explained?

[Menem] All possible hypotheses are being considered. You can rest assured that the attack against the Israeli graveyard, which occurred almost a year ago, is being investigated.

[Unidentified reporter] Mr. President, you already have answered the first part of my question. You will not decree a state of siege. Yet, a security council has recently been created. What instructions will the president give to the security council?

[Menem] To investigate and to intensify all security measures. That is the council's objective. In addition, the state of siege is a decision to be made by the president, not by the security council.

[Reporter] [Question indistinct]

[Menem] What?

[Reporter] [Question indistinct]

[Menem] For that reason. Yes.

[Fernando Aguinaga, NOTICIAS ARGENTINAS] I want to ask you whether the Argentine Government has adopted any immediate measure to avoid the possible escape of international terrorists from our country.

[Menem] Everything. All airports are under control. We have even ordered the temporary closure of the Argentina-Uruguay hydrofoil service, which is very hard to control.

[Unidentified reporter] Taking into account the magnitude of this attack, which I believe is a landmark in history....

[Menem, interrupting] There was another attack that was more or less similar. Perhaps you can recall it; it occurred at the Federal Police dining hall around 1976.

[Unidentified reporter] Yes. Mr. President, what information do you have on groups with such operational capacity, taking into account that the Israeli Embassy has major security controls?

[Menem] I have just answered that question, when I said that some security measures were very likely to have

been loosened because of the construction going on inside the Israeli Embassy. This is one of the possibilities. The materials that caused the explosion could have been passed into the embassy among the large quantity of materials that were brought in for that work. I reiterate that it is a hypothesis being investigated. Well, I am answering your question.

Parking is frequently forbidden in front of an embassy, especially in front of the Israeli Embassy. This would be even more strict in the case of a car like the old Valiant that was described by an eyewitness. Israeli security personnel have long experience with bombs and car bombs. Consequently, that is also a hypothesis being looked into. However, you should not forget that this happened five hours ago, and no immediate results can be expected or demanded.

[Unidentified reporter] Mr. President, did you meet, did you talk over the phone, or will you meet the Israeli ambassador? Has any information been received on the ambassador?

[Menem] Well, I talked with the Israeli president today. I met with the representatives of the Jewish community in Argentina, and I am very likely to meet with the Israeli ambassador. Anyway, the foreign minister already has met with the Israeli ambassador.

[Reporter] [Question indistinct]

[Menem] All (?exits abroad). And I cannot ... [changes thought] I already have told you: hydrofoils, airports, ports. All measures. Highway control. We obviously will reinforce security for Israeli organizations in Argentina. We obviously will try to give more security, as we are doing, to the entire Argentine community.

[Unidentified reporter] There were two explosions, one after the other.

[Menem] It is believed there were two or three explosions, but this is under investigation.

[Reporter] I was there. I heard the explosions. I was nearby. There were two explosions not very far apart. The question is, has the rumor about the possibility of an explosion of an arsenal in the Israeli Embassy been discarded?

[Menem] We have no information that there was an arsenal in the Israeli Embassy. That is why I am saying that rumors or assumptions immediately tend to spread. The alleged explosions—it is said that there were two or three—can be the product of the shock wave that gives the impression of new explosions. This normally happens in this type of explosion.

[Unidentified reporter] Did the Israeli organizations you met make any comments about a previous threat before this attack?

[Menem] No, not during the talks I had with them.

[Unidentified reporter] Mr. President, you mentioned the CIA and the Mosad as the organizations that will investigate this attack. But regarding Argentina, what organizations did you order to carry out an investigation?

[Menem] The organizations of the Federal Police, the information services of the state and, of course, the Interior Ministry.

That lady over there, who has not yet asked a question.

[Myriam Saavedra, Radio La Red] Do you believe there is some type of link between this attack and the opening of the Nazi files in our country?

[Menem] I completely dismiss that possibility.

[Unidentified reporter] Are you going to find out who is responsible for not carrying out an investigation before this event?

[Menem] How can you investigate events that occur later?

[Reporter] What about the participation or activities of extremist groups in the country?

[Menem] But these are situations that cannot be predicted. Argentina has one of the best security systems in Latin America, and I would say that it is at the level of the best security services in the world. But there are also terrorist acts every day in the highly developed countries. Spain has one or two attacks every day. It can be assumed that the security measures in Spain are strictly enforced, but it cannot prevent this type of attack. The same situation occurs in Great Britain and other countries like Colombia, Venezuela, and other countries of the region. Therefore, let me reiterate that we are taking all the necessary measures, all the precautions to prevent this type of action from taking place again.

[Carlos Bustos, NOTICIAS] Was the CIA's participation on the request of the Argentine Government?

[Menem] Yes, and the request to the Israeli organization was a request made by the president of the nation to the Israeli president. They have a great deal of knowledge on this matter. There is one thing I would like to fully and clearly emphasize: This attack, I would say, instead of harming relations with Israel will strengthen it. We agreed with the Israeli president that this attack will strengthen relations between Israel and Argentina.

[Unidentified reporter] Mr. President, I would like to ask if the CIA intervention in this investigation was made today by the government.

[Menem] We asked the U.S. ambassador today to provide all the necessary aid for this investigation. And please do not take this request as interference by the U.S. ambassador in the internal affairs of the Argentine Republic, or interference by Israel in the internal affairs of the Argentine Republic. Everything that is being done

is upon request and with the consent of the Argentine Government. Basically, what we want is to find out who the bandits responsible for this attack are, an attack that has created commotion not only in our community but also in the international community.

Let me reiterate something here that I told the press yesterday, and the facts now show that I was right: There are small groups in the Argentine community, which in connivance with other groups at the international level, do very badly when Argentina is doing fairly well. And they feel very happy when Argentina is doing badly. These are the people who planted the bomb that caused this real disaster. And I would like to reiterate that this has created commotion in the national and international community. Thank you very much.

Menem, Di Tella Comment on FAA Report

PY1703212392 Buenos Aires TELAM in Spanish 1158 GMT 17 Mar 92

[Excerpts] Buenos Aires, 17 Mar (TELAM)—Foreign Minister Guido Di Tella has stated that "the U.S. Federal Aviation Administration [FAA] has not engaged in any conspiratorial strategy that will benefit U.S. interests" or will result in the replacement of Edcadassa SA [South Atlantic Air Cargo Enterprise Inc.], which has been providing services at Ezeiza Airport.

Speaking to reporters yesterday after conferring for one hour with U.S. Ambassador Terence Todman, Di Tella expressed his conviction that "there is no connection" between the Edcadassa case and the topic of security at Ezeiza Airport.

Di Tella said that the FAA report "does not warrant so much reaction." He added: "It is a minor issue: It is a storm in a teacup."

In a note delivered to the U.S. Embassy by Juan Antonio Ferreira Pinho, defense undersecretary for military affairs, Defense Minister Antonio Erman Gonzalez has said that the airport "meets all norms and standards" linked to security requirements and has requested that the U.S. Department of Transportation order the FAA to conduct a new inspection "as soon as possible."

Asked about Ambassador Todman's involvement in these matters and about the meeting they held this afternoon at the Foreign Ministry, Di Tella said: "Todman is not here to decorate Buenos Aires; he is here to defend the interests of his country."

Di Tella said that it became clear during his talks with Todman that, of the six topics included in the FAA report on safety for passengers, "only one remains to be solved. Thus, we have requested that a new inspection be promptly conducted by the FAA in order to conclude this matter once and for all."

Di Tella described as "totally irresponsible" the remarks on aircraft safety attributed to Pascual Gutierrez, an alleged FAA official. He added that Ambassador Todman, "who commented that Gutierrez is not a U.S. official and that he does not know him," shares the foreign minister's opinion on this matter.

Di Tella noted, however, that failure to comply with the FAA requirements "will have some damaging effects." He said that some passengers will not travel via Ezeiza because the problems involved passenger security and possible kidnappings, adding that insurance policies will probably increase. [passage omitted]

President Carlos Menem last night said that the Defense Ministry's request for the U.S. Department of Transportation to make a new inspection of the airport security system "is the best way to end this story."

Menem noted that this fact will in no way be construed as U.S. interference in Argentine domestic affairs and noted that technical studies on security levels in airports "are carried out everywhere, not just in Argentina."

The president made this statement to reporters as he left the Congress building, having taken part in an event to mark the celebration of the discovery of the Americas.

Two Deputies Call For Supreme Court Impeachment

PY1703235692 Buenos Aires BUENOS AIRES HERALD in English 17 Mar 92 p 11

[Excerpt] (NA-DYN)—Amid mounting criticism against the judicial branch of government, Deputies Miguel Fontela (Group of Eight) and Raul Rodriguez (Peronist Affirmation) yesterday requested the impeachment of all Supreme Court justices on charges of malfeasance.

The deputies based their request on several instances of irregular conduct by the nine justices, such as the appointment of relatives to court positions and the token fine imposed on Yomagate Judge Maria Servini de Cubria.

The deputies said the hiring of relatives by magistrates and court officials breached Article 12 of the National Judiciary Code. Both Justice Rodolfo Barra and Mariano Cavagna Martinez appointed their daughters as private secretaries, arguing that "relatives enjoy the full trust of magistrates, which is a valid reason for their appointment."

Rodriguez and Fontela countered that the justices were "implementing a sort of due obedience and blind loyalty...considering that relatives are not forced to denounce illegal activities or testify as witnesses."

As for the 60-peso fine imposed on Servini de Cubria for various irregularities in the drug money-laundering probe dubbed Yomagate, the deputies said "the amount of the fine, regardless of standing regulations, is highly questionable and speaks clearly of the political submission of the Supreme Court."

For his part, Justice Minister Leon Arslanian urged the population not to generalize about the situation in the courts in the wake of criticism hurled against Supreme Court justices. He also recalled that the mechanism of impeachment is used to remove a magistrate when he comes under suspicion for irregular conduct.

"What worries me is that in the attempt to criticize the high court they undertake a global, systematic opposition, without any sort of discrimination, leading to a global rejection of the judicial branch of government and making all magistrates lose credibility before public opinion," said the minister. He stressed that the great majority of lawsuits are solved in the appeals courts and only a tiny fraction ever reach the Supreme Court.

According to a recent public opinion poll, only 20 to 30 percent of the population has confidence in the justice system. [passage omitted]

'Efficiency' of Atucha Nuclear Plant Viewed

PY1703230392 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1308 GMT 14 Mar 92

[Text] Buenos Aires, 14 Mar (NA)—The National Commission for Atomic Energy (CNEA) has reported that the full output of Atucha 1 and Embalse nuclear plants is partly compensating for the low output of the thermal power plants, which are working at only 43.9 percent of their capacity.

The atomic plants only generate 6.7 percent of total production, however, and the remaining energy is produced by thermal and hydroelectric power plants.

The serious problems within the national energy industry have caused an overload at the atomic plants, to the point where they are expected to produce 17.2 percent of all the energy consumed.

These figures show that almost one of every five citizens use atomic energy in their daily activities.

The CNEA reported that nuclear energy production in 1991 reached a record production of 7,771.236 MWH of gross energy. The CNEA added that Atucha 1 has completed 347 days of uninterrupted operation, adding that this shows that its "efficiency much higher than the rest of the energy industry." It must be remembered that a (?shutdown) is scheduled in April for maintenance.

Bolivia

Paz Restructures Cabinet; Replaces 8 Ministers

PY1703181492 La Paz Television Boliviana Network in Spanish 1700 GMT 17 Mar 92

[Excerpts] President Jaime Paz Zamora restructured his cabinet today by replacing eight of his ministers and confirming the other eight. The ceremony—which was held in the main hall of Government Palace—began with a reading of the presidential decree. Then President Paz administered the oath of office to the new ministers. They are:

Ronald MacLean Abaroa, who replaces Carlos Iturralde as foreign minister;

Jorge Quiroga Ramirez, who replaces David Blanco as finance minister;

Carlos Aponte Pinto, who replaces Willy Vargas as transport and communications minister;

Osvaldo Antezana Vaca Diez, who replaces Mauro Bertero as agriculture, campesino affairs, and livestock affairs minister;

Fernando Campero Prudencio, who replaces Leopoldo Lopez as industry, commerce, and tourism minister;

Carlos Dabdoub, who replaces Mario Paz Zamora as social services and public health minister;

Alvaro Rejas Villarroel, who replaces Gonzalo Valda as mining and metallurgy minister; and

Jaime Cespedes Toro, who replaces Mario Rueda Pena as information minister.

After administering the oath of office to the new ministers, President Paz reiterated that the appointment of the new ministers was not prompted by a cabinet crisis but is only an effort to implement a reorganization or reshuffling of personnel to best serve the people's interests. He conveyed his gratitude to the outgoing ministers and welcomed the new ones. [passage omitted]

Speaking in the name of the new ministers, Foreign Minister Ronald MacLean vowed to continue to work to promote the good of the country.

[Begin recording] Mr. President: Those of us who today pledged to share with you the responsibility of taking the reins of administration are hereby committing ourselves to work with austerity, efficiency, and honesty. This new stage of the Patriotic Agreement government must be characterized by an effort to combine preservation of the democratic process with the technical-administrative efficiency of a state that is in the process of implementing the necessary reforms for its modernization. In modernizing the state, Mr. President, we must firmly undertake a policy of investing in social projects based on a responsible program aimed at fighting poverty and at providing better options in the health and education areas in order to enable us to face together the urgent challenges lying ahead of us in the new century. Thank you. [end recording]

Labor Minister Hails COB-Government Agreement

PY1803000692 La Paz Television Boliviana Network in Spanish 1700 GMT 17 Mar 92

[Text] Labor Minister Oscar Zamora Medinacelli praised the good will of both government and the

Bolivian Labor Federation [COB], who were able to resolve the salary issue through dialogue, even though he said one cannot always agree on everything:

[Begin recording] The Labor Ministry promises to implement a policy of strict monitoring to make sure that private businesses pay the approved salary increases and that collective labor-management negotiations take place.

In a very short while, we will issue the rules and regulations for the payment of the seniority bonus. The COB has received a promise in writing that this bonus will be increased by establishing its base at two minimum wages.

I repeat, all this shows that the government is willing to do its best for the COB and the nation's workers in general. [end recording]

Government Assigns Funds for Salary Increases

PY1703232692 La Paz Radio Fides Network in Spanish 1100 GMT 17 Mar 92

[Report by Antonieta Flores]

[Text] At about 2300 on 16 March, the government promulgated a supreme decree regulating salary increases. Planning Minister Samuel Doria Medina explains the decree:

[Begin recording] The executive branch has just released a decree establishing how the 129,267,945 bolivianos assigned to salary increases will be distributed among the various sectors.

The main [words indistinct] of the supreme decree establishes, first of all, that the national minimum wage be increased from 120 to 135 bolivianos.

Second, there is a differentiated increase for the various sectors, which has been established under direct instructions from the president of the Republic and gives special treatment to health and education workers' salaries. We, ministers, had been considering a 16-percent increase for these groups but, as I have said, under direct instructions from the president of the Republic, we have decided to establish a 17-percent increase for these two groups. The bonus paid every two years to the housing sector has been increased from 350 to 400 bolivianos. Increases to decentralized companies of the productive sector will be 12 percent. In the case of companies that have signed productivity contracts [contratos de rendimiento], the increases may reach 15 percent.

The decree also establishes that salary increases for the private sector will have to be compulsorily negotiated among the parties, and that accords currently in force should be registered at the Labor Ministry in no more than 45 days, as used to be successfully done in the previous administration, because thousands of accords have been registered at the Labor Ministry. [end recording]

Within the framework of this decree, the government has established an increase in the seniority bonus. Labor Minister Oscar Zamora Medinacelli explains the details: [recorded passage indistinct]

The government thus released a supreme decree regulating salary increases: 12 percent for the productive sectors, 17 percent for health and education, and 15 percent for companies that have signed productivity contracts.

As for the private sector, there is a 45-day period to negotiate a salary increase.

Saavedra Reports 'Hard Blow' Against Terrorism

PY1703131692 La Paz Television Boliviana Network in Spanish 0200 GMT 17 Mar 92

[Excerpt] The government has struck a hard blow against terrorism and continues its investigations with the aim of dismantling an entire organization that was seriously threatening the citizenry. This information was disclosed by Interior Minister Carlos Saavedra Bruno, who urged the media to handle information on this subject in a responsible manner.

[Begin Saavedra recording] I believe that the Interior Ministry's efforts to conclude police actions—and, hopefully, we will be able to do that this week so we can place the cases—as with the previous two cases—in the hands of the court—cannot be distorted, and the people cannot be misinformed with mere speculation because we are making progress.

We said that the progress we made in this field, specifically in the case of the Garcia couple, would be disclosed through written communiques. The second communique will be issued today, but I want to tell you now that we discovered a new stronghold in La Paz and two others in Cochabamba. In Cochabamba, we found only some pamphlets and leaflets, but in the case of La Paz, which is the second stronghold found here, we found things such as computers, photocopying machines, mimeograph machines, communications equipment such as radios and walkie-talkies, etc. This is a sign that we are on the right path. We just need a bit more time to do this job, which we are carrying out with a great sense of responsibility. Once we have concluded all operations, they will be disclosed in detail, but only when we have concluded our investigations. [passage omitted] [end recording]

Brazil

* Mining Company Sells Technology to Iran

92SM0290C Sao Paulo GAZETA MERCANTIL in Portuguese 12 Feb 92 p 10

[Article by Cristina Borges]

[Text] Rio—The Inga Commercial and Industrial Company yesterday signed a contract for the sale—to the Iranian Government—of technology for the utilization of silicated or oxidized zinc ore. Under the contract, in addition to supplying technology the Brazilian company will provide engineering services and personnel training to the value of $11.35 million.

The contract was signed in Teheran between Inga President Flavio Barreto and the Iranian Ministry of Mines and Metals. It will remain in force for three years, which is the estimated time required for the processing plant to go into operation with a production capacity of 50,000 tons per year. "The negotiations with Iran have opened up new opportunities for Brazilian companies that are investing in technology," says Flavio Barreto's brother Gilberto Barreto, who is vice president of Kiba, the holding company that controls Inga.

The sale of the technology had its origin four years ago in the purchase by the Inga Company of silicated zinc from Iran that was extracted from a reserve which had recently begun to be exploited. Inga developed its technology in the last part of the decade of the 1950's and subsequently perfected it. Inga was first in the world to develop the process for concentration of silicated or oxidated zinc ore, which is patented in 14 countries for the production of ingots.

The more usual technique for obtaining the metal is based on sulfated zinc ore, which has sulfur in its composition. "It is the first time that the Inga Company has sold its technology abroad, thereby definitively ending the past disputes over control of the process developed by the company, which competes in the international market," Gilberto Barreto said.

Iran will build its first zinc processing plant in the city of Dandi, Zanjan Province, and will be responsible for developing the infrastructure and for constructing and equipping the plant. The Inga Company will be responsible for supervising the work and will train 25 Iranian technicians at its plant in Itaguai, Rio de Janeiro. Barreto added that the Iranian Government is interested in becoming self-sufficient in respect to production of the metal and control of the technological process, because it is the exclusive producer of oxidated or silicated "Anguran" zinc ores.

The Inga Company—which was founded in 1949 initially as a manufacturer of galvanized pipe—today has a production of 42,000 tons per year. The company has diversified its activities in the areas of zinc mining, zinc oxide, and powdered zinc. The plant at Itaguai is carryiing out a project to expand its production capacity to 54,000 tons per year. In 1991 the company had total sales corresponding to $60,000 [as published].

According to Barreto, Inga Company strategy is aimed at internationalizing its operations so that an average of 25 percent of its output will be destined for export even in periods when its entire production could be absorbed on the domestic market. At the present time, the company's exports represent 40 percent of its total production as a consequence of Brazil's economic recession, whose effects on domestic demand began to be felt in October 1990.

* Goldemberg on Former Bomb Project, Corruption

92SM0290B Sao Paulo VEJA in Portuguese
5 Feb 92 pp 7-9

[Interview with Education Minister Jose Goldemberg by Joaquim de Carvalho in Brasilia; date not given: "The Bomb Is Defused"—first two paragraphs are VEJA introduction]

[Text] The education minister discloses details of the military's nuclear project, says that Collor is like Janio Quadros, and promises to keep the CIAC's [Integrated Child Support Centers] out of politics.

Physicist Jose Goldemberg, 61, regards himself as a technician who is available for public service; but the ease with which he passed through administrations as different as those of Franco Montoro and Orestes Quercia, in Sao Paulo, and came to the Ministry of Education in the administration of President Collor reveals a political temperament. Even though Goldemberg is not a member of any political party and does not know entrepreneur Paulo Cesar Farias, President Collor's very close friend, he was nonetheless put in charge of one of the federal government's favorite and most ambitious projects, namely, the construction of the CIAC's, the single-term schools. A former rector of the University of Sao Paulo [USP], Goldemberg promises that he will stand up to any and all political pressures that are designed to transform the CIAC's into political capital. "They will be built where they are needed," he insists.

As one of the scientists who is most knowledgeable about nuclear research in Brazil, Goldemberg made the surprising disclosure that the military planned to explode an atomic bomb in 1985 in order to create a climate of nationalist euphoria and continue in power. The education minister—who is a critic of the use of nuclear energy for military purposes—says that the atomic bomb is not included in the government's plans. Goldemberg also confesses that on several occasions he was embarrassed to be part of the government. One of those occasions was the publication of the book by former Economy Minister Zelia Cardoso de Mello about her romance with her colleague, Justice Minister Bernardo Cabral. Goldemberg considered leaving but stayed on, and went from national secretary for science and technology to minister of education after a temporary stint in the Ministry of Health. Last week he gave the following interview to VEJA at the Tennis Academy—a five-star hotel in Brasilia—where he is accustomed to take a morning walk.

[De Carvalho] In 22 months Collor has fired nine ministers and promoted you three times. Where do you get your strength to grow in the government?

[Goldemberg] I am a public servant and try to do my job without reference to pressures. I was instructed by President Collor to place the interests of education above all else. I welcome deputies and governors in my office, but have no political support in the sense that I have no political party affiliation. Under the presidential system the cabinet ministers serve at the pleasure of the president, who is the source of the authority that I exercise.

[De Carvalho] You have worked with Montoro, with Quercia, and now with Collor. With whom do you identify politically?

[Goldemberg] I do not consider the exercise of specialized public posts—such as those I have held—to constitute a total political liaison. I believe governments have certain positions that should not be filled by professional politicians. Ideally, the Ministry of Health should be headed by a physician and the Ministry of Education by an educator, an intellectual, or—at least—the rector of a university. The appointment of a professional politician to such a post is not good for the nation.

[De Carvalho] How do you rate the performance of each of these politicians you worked with, who are so different from each other?

[Goldemberg] Governor Montoro is a person of a Christian Democratic background who has great qualities of tolerance and friendship, but Collor is a better executive.

[De Carvalho] What about Quercia?

[Goldemberg] He is extraordinarily able and intelligent, but does not have certain qualities that Montoro has.

[De Carvalho] What qualities?

[Goldemberg] One of his shortcomings is that he has not given due credit to Montoro, despite the fact that he has followed in Montoro's footsteps. This is one of the reservations I have about Quercia.

[De Carvalho] Are you not afraid you will go down in history as a kind of PFL [Liberal Front Party] member among the academicians?

[Goldemberg] I totally reject the thesis that a government—be it of the PT [Workers Party], of the PFL, or of the PDS [Social Democratic Party]—is a government of enemies of the people. To work in a government does not mean you are a political opportunist. The notion that an intellectual has to be in the opposition—and preferably even the victim of persecution—is not part of my ideology. To insinuate that I have ever in my life been a political opportunist is malicious in the extreme. In the decade of the 1970's, for example, they offered me the presidency of the Metrology Institute in Rio de Janeiro in return for my silence about Brazil's nuclear program in cooperation with Germany. I did not accept, and shortly thereafter, when my son Clovis was unjustly arrested and tortured on the charge of terrorism at the Aeronautical Technology Institute (ITA), where he was studying, I resigned the presidency of the Institute of Physics at USP—a post I had held for eight years—in protest and left Brazil. I had many chances to be an opportunist before Collor became president, and opposed the government at a time when to do so was very risky. It is much easier today to take a stand against the government.

[De Carvalho] Do the Brazilian military still want to make the atomic bomb?

[Goldemberg] I do not know if they still want to, but when this government took office they were indeed planning to master nuclear technology with a view to making weapons. When the nuclear program that resulted from the Brazilian-German cooperation took the direction that it took—namely, the construction of nuclear power plants fully subject to inspection by the International Atomic Energy Agency—both the Air Force and the Army sought to ensure Brazil's mastery of nuclear energy without any dependency on foreign powers. This attitude of independence caused the military to follow a course that would lead to the production of weapons.

[De Carvalho] How did you learn about this?

[Goldemberg] When I was rector at USP, a number of physicists came to me to ask for a job. To add luster to their resumes, several of them told me they had taken part in military research of this type.

[De Carvalho] Were the military intending to make a bomb and explode it?

[Goldemberg] Yes, they were. The plan was to explode the bomb at the end of the Figueiredo administration. They wanted a "grand finale" for the military regime. They wanted to create a climate of euphoria like the one that followed the 1970 World Cup. Say what you will, there is no doubt that the prideful fervor deriving from the 1970 World Cup helped to keep the military regime in power.

[De Carvalho] Were the military trying to stay in power in 1985?

[Goldemberg] This was probably also their intent, but not through intimidation. They believed the climate of euphoria could justify their remaining in power. I do not believe that was their main goal, however. The fact is that they really wanted the confidence of the people.

[De Carvalho] As late as 1990, did they still want to make the bomb?

[Goldemberg] The Army wanted funds to build a 10-megawatt reactor to produce plutonium based on the combined use of uranium and graphite, on the pretext of producing electric energy. It was not a reasonable proposal, because that is not the function of the Army. The formula that the Army adopted to produce electric energy was, interestingly enough, the same one that the Americans had used 50 years ago during World War II to make the bomb. The Air Force began to enrich uranium

using lasers at Sao Jose dos Campos with a view to the future use of radioactive material for the production of energy inside its satellite. It was a very weak pretext.

[De Carvalho] The Navy has also been seeking mastery of the technology of uranium enrichment.

[Goldemberg] Yes, but that is different. It is not clear that the Navy was after the bomb. It mastered the technology of uranium enrichment in order to develop a reactor for the propulsion of a nuclear submarine. The Navy's research in this field has been remarkable.

[De Carvalho] To what extent is former Health Minister Alceni involved in the cases of corruption in that ministry?

[Goldemberg] He assuredly had nothing to do with that.

[De Carvalho] He had been informed that friends of his were directing the fraud. If you had been in his place, would you too have remained silent?

[Goldemberg] I am not like Alceni, in that these questions are of great concern to me. If someone were to enter my office and tell me of something that would put the public interest at risk, I would take immediate measures. To protect the Treasury, individuals must be replaced even when guilt has not been positively established, because an administrator is not a judge. It is not his function to make judgments and conduct long, drawn-out investigations. If the administrator has doubts, he should make replacements. It is a lot easier to err by replacing an innocent person than to allow a proliferation of criminals.

[De Carvalho] How will you administer the political, educational, and economic interests that involve the CIAC's?

[Goldemberg] Certain politicians are exerting pressure to have a school built in a particular place or other. School construction is very powerful political capital. Under my stewardship, I have been advising that the schools should be built only on the basis of geoeducational criteria: in other words, only where they are most needed. The politicians may complain, but I shall not relinquish my autonomy in this area.

[De Carvalho] But there is another type of concern. So much money can attract very powerful pressures. Does that not bother you?

[Goldemberg] Minicorruption is hard to prevent. Minicorruption is, for example, the use of corrupt practices to delay a process. Major corruption, however, can be prevented, and that is what we have done at the Ministry of Education. Where the competition is on a major scale, we have gotten rid of the lobbies and the collusion. We were praised by the TCU [National Accounting Office] for this.

[De Carvalho] Do you travel by private jet?

[Goldemberg] Generally speaking, I use commercial aircraft; but when I have something urgent I take a small jet of the Air Force. I never travel in private jets. It is not a good idea for a cabinet minister to do that.

[De Carvalho] Some of your colleagues always travel in private jets. Is that immoral?

[Goldemberg] It makes a cabinet minister vulnerable. That does not mean he will be compliant, but it definitely could put him in a compromising position.

[De Carvalho] Do you know the businessman Paulo Cesar Farias?

[Goldemberg] I have never met him. Not even at parties. I have never spoken with him, even on the telephone.

[De Carvalho] Do you regard yourself as the "Mr. Clean" of this administration?

[Goldemberg] Although I do not regard myself as naive, I do see myself as a person capable of performing his duties with dignity. I cannot recall having committed any act here that falls short of this standard.

[De Carvalho] Have you sometimes been ashamed to be a member of this cabinet?

[Goldemberg] Yes, I have.

[De Carvalho] When?

[Goldemberg] I felt very uncomfortable over the episode of former Economy Minister Zelia Cardoso de Mello's book.

[De Carvalho] Did you consider resigning?

[Goldemberg] To resign is a very complex matter, because you always have to take into consideration what you are leaving undone when you resign. I have felt embarrassed sometimes.

[De Caravalho] On what occasions, Mr. Minister?

[Goldemberg] Frequent appearances in society columns—the type of behavior that Zelia displayed—does not accord with the austerity that characterizes this administration.

[De Carvalho] Aren't the president's short-sleeved shirts a banal example of political "marketing," and doesn't that interfere with his performance?

[Goldemberg] We have to accept people as they are. I always wear formal clothing. If I wore sports apparel it would cause surprise, but outward appearances are unimportant. What is important is content—the modern vision that Collor has. The president reminds one a lot of Janio Quadros. It was ridiculous when Janio—as mayor and former president—used to stop his car and fine people on the street, but we have to acknowledge that Janio had his good qualities and acted with vigor and authority. Collor and Janio are very intelligent: They

have a statesman's vision, and you cannot judge a statesman by the kind of shirt he wears. Collor resembles Janio at the latter's best.

[De Carvalho] You criticized Collor when he was a candidate. Has the president surprised you?

[Goldemberg] It was a pleasant surprise. I have lived long enough to meet a few people along the way, and I am always very surprised at the modern vision that the president has. He is a person of the First World.

[De Carvalho] You did not vote for him. Or did you vote?

[Goldemberg] I was not in Brazil for the second round of the election. In the first round I voted for Mario Covas, who had been my colleague in the Montoro administration.

[De Carvalho] Is Portugal's refusal to accept the diplomas of Brazilian dentists an indication of the lack of prestige of Brazilian universities?

[Goldemberg] No; the controversy reflects the chauvinism that is emerging in several countries in Europe. The refusal amounts to discrimination, and violates a treaty signed more than 20 years ago that stipulates equality of rights between Brazilian and Portuguese students. The dentists who are in Portugal are competent but are the objects of discrimination in the competition for employment. Interestingly enough, at the time the treaty was signed it was the Portuguese who were coming to Brazil. In the present case there are only two possible solutions, and I shall deal with them in the coming weeks. Either Portugal accepts the diplomas, or we shall break the treaty.

[De Carvalho] You say that your top educational priority is elementary education. Have you left the university?

[Goldemberg] I retired several months ago after 41 years at USP, but I shall continue to do research. At the Education Ministry the top priority is indeed elementary education. I believe that in three years we shall have a turnaround in elementary public education in Brazil. We shall have a "shock treatment" for quality. The CIAC's will be model schools that will raise the level of the other public schools. The CIAC's are rich schools for the poor, and high quality schools are costly. The government should be praised, not criticized, for spending more on schools.

[De Carvalho] Another problem in education is the cost of the monthly fees for private schools. Cannot the Education Ministry do something about the abuses?

[Goldemberg] It cannot. The government no longer controls prices. The advice I am giving the nation is to deal with this money-making factory by transferring your child to a public school or threatening to do so. The threat of such a transfer is, moreover, a very powerful weapon. Proprietors of private schools have already come to realize that because of so many abuses they are killing the goose that laid the golden egg.

[De Carvalho] But aren't the public schools worse than the private schools?

[Goldemberg] The Carlos Chagas Foundation has a study showing that, in general, the public and private schools educate students to an equivalent level—a fact that should reassure parents with respect to their children's future. What has happened is that there is a limited number of private schools that are far in advance of the other schools.

[De Carvalho] Has the university lost its bearings?

[Goldemberg] It has ceased to be the apple of society's eye; it has lost many causes and has lost prestige. The universities alienated themselves from the nation's problems and became a "foreign body" in the larger society. I have always said that the university must provide answers to society's problems. The universities in the North, for example, must involve themselves with environmental problems because of Amazonia. With democratization came other channels of expression, but the end of the university as a resource for impacting society is a worldwide phenomenon.

[De Carvalho] Please explain further.

[Goldemberg] Today's leaders come from other milieus. Who are the leaders of the new republics of the former Soviet Union? There is no point in even remembering their names, because of their lack of intellectual brilliance. In Poland the leader is Walesa, who is a somewhat improved version of [former Brazilian Minister of Labor and Social Welfare] Magri.

* Mapping Identifies Amazon Investment Areas

92WN0328Z Rio de Janeiro O GLOBO in Portuguese 18 Feb 92 p 16

[Article by special correspondent Elisa Andries]

[Text] Belem—The initial areas of the Amazon Region that will obtain investments for projects of sustained development are already being selected by means of space mapping of the region. The mapping is part of the first stage of the Amazon Development Plan (PDA), which is coordinated by the Authority for Developing the Amazon Region (Sudam).

The PDA—which cites incentives for science and technology as providing the only viable solution for the problem of the development of the region—was discussed yesterday at the International Seminar on the Environment, Poverty, and Development of the Amazon (Sindamozonia) held in Belem.

The objective of the PDA is to have the entire process of setting up the projects for sustained development directed by the local residents, Sudam Regional Superintendent Alcyr Doris Meira explained.

The greater part of the funds necessary for setting up the PDA projects will be supplied by the Group of Seven—

formed by the seven richest countries in the world—which recently approved the Program of Financial Cooperation for the Preservation of the Amazon Region, which provides for the release of $1.5 billion over the next five years. A total of $50 million has already been released and used for the mapping program.

Chile

Israeli Envoy Condemns Attack in Argentina

PY1803014292 Santiago Radio Cooperativa Network in Spanish 2300 GMT 17 Mar 92

[Text] We have a call by Mario Contreras from our mobile unit:

[Begin relay] Israeli Ambassador to Chile Daniyel Moqedi today strongly condemned the terrorist attack against the Israeli Embassy in Buenos Aires. This is what he said today in a conversation with this station:

[Begin recording] [Moqedi] This is a regrettable event, committed by cowards who know no limits or borders. They attacked peaceful people—women, children, old people, innocent people—outside the Middle East. This is not the first time we have experienced a terrorist attack against an embassy or other civilian institution. I still do not have any information on who is responsible for the attack. No one so far has claimed responsibility. [end recording]

Moqedi said that the way the embassy was attacked reminds him of how the Islamic fundamentalist movements operate. The figures the ambassador had on the attack so far indicates that four people were killed, 70 were injured, and 30 people are buried under the debris of the Israeli Embassy in Buenos Aires. Regarding the situation in Chile, Ambassador Moqedi said that threats were received this afternoon.

[Begin recording] We receive telephone threats once in a while from people with Chilean voices, others with Arabic accents. Today, about one and a half hours ago, we received a threat from a Chilean who said that the attack in Buenos Aires will be nothing compared to what will happen here in Santiago. So as far as threats go, we have enough of it. [end recording]

Moqedi said, however, that terrorists act without warning and in faraway places like the attack in Buenos Aires today. Currently, there is strong police protection around the Israeli Embassy in Santiago by a Carabineros detachment. This is all the information I have from the 710 mobile unit of Radio Cooperativa. [end relay]

Regarding this information, we would like to report that, after the bomb attack against the Israeli Embassy in Buenos Aires was made known, the Carabineros Metropolitan region today ordered the Southern and Western Carabineros Command to strengthen security measures around diplomatic missions to prevent terrorist actions. Police sources indicated that officials recommended that the police units be specially vigilant at the Israeli Embassy, which is located on 2812 San Sebastian Street in the Providencia District.

The sources also said that the order indicates that special attention should be given to vehicles and suspects around foreign diplomatic missions.

UDI Deputies Report 'Political Espionage'

PY1703185592 Santiago Radio Chilena Network in Spanish 1700 GMT 17 Mar 92

[Excerpt] UDI [Independent Democratic Union] deputies have reported that the government is engaged in political espionage on political and social organizations. This espionage is allegedly being conducted through the Investigative Police.

Here are the details in a report by Rosa Alcayaga:

[Begin recording] [Alcayaga] UDI deputies have reported the existence of a political police force in our country. This political police force is headed by Prefect Guillermo Mora Ortiz in his post as intelligence chief. The force reportedly operates under the name of the Intelligence Unit. UDI deputies have confirmed that this intelligence unit is operating under the instructions of General Horacio Toro, retired, the Investigative Police director general. UDI Deputy Pablo Longueira will now give us details:

[Longueira] The basic activity of this political police is to spy and then report on political, economic, trade union, and military activities.

A document issued by the chief of the political police bureau states that instructions have been issued to all our country's intelligence units to spy and report on all the activities of political parties, both ruling and opposition parties; activities of the main political leaders, especially on information about their private lives and families; the activities of trade union leaders and the Army commander in chief. The instructions also mention the existence of a Falcon 2 Plan [not further identified] that will be implemented when appropriate.

[Alcayaga] The UDI thus asks Defense Minister Patricio Rojas—because the Investigative Police are under the Defense Ministry—immediately to end the activities of this political police force, to begin an investigation into determining levels of responsibility, and to explain to the country why Investigative Police officers are involved in political espionage. [passage omitted] [end recording] [passage omitted]

Public Security Council Coordinator on Terrorism

PY1703141492 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 17 Mar 92

[Interview via relay with Jorge Burgos, Public Security Council coordinator, by anchorman Bernardo de la Maza in studio—live]

[Excerpt] [De la Maza] Good evening, Lawyer Burgos.

[Burgos] Good evening.

[De la Maza] How do you explain that for several days it has been said that the Lautaro Movement has been practically disbanded, but, as we can see, new people are operating in Temuco, in particular?

[Burgos] Well, I do not agree and I think no one in the government agrees with the report that this movement has been disbanded. I believe important and continuous achievements, with respect for the state of law, are being obtained everyday in the struggle against this terrorist group. This is how we are working, and the two reports that preceded this question [on police actions involving Lautaro members] emphatically confirm my position. I think the important thing is to continue achievements in the struggle and not to make hasty remarks about this organization, which has been operating in Chile for a long time.

[De la Maza] Well, this seems a contradiction of what an official has said. For instance, Edgardo Rebolledo, of the Investigative Police, stated today on the subject of the Lautaro Movement that a head without a body cannot do anything, referring to Lautaro Movement leader Guido Sandoval, alias Diego Carvajal, who has not yet been arrested.

[Burgos] Well, I am nobody to contradict a high-ranking officer. I only represent the government and, particularly, the police when I say that there is a fight, with respect for the state of law, going on everyday and the results are very positive. When the time comes to say that the Lautaro group or any other terrorist organization has been defeated, it will be said. I do not, however, think this is the appropriate time to say it. I insist, these organizations have been operating for more than 10 years and the achievements show the ability of our police. I do not believe in making hasty remarks about the end of these organizations. [passage omitted]

Colombia

Judge Flees Country Citing DEA Threats

PA1703194392 Mexico City NOTIMEX in Spanish 1817 GMT 17 Mar 92

[Text] Santa Fe de Bogota, 17 Mar (NOTIMEX)—Maria Victoria Carvajal, the 104th Criminal Court judge, and her secretary Hernando Mendez left the country over the 14-15 March weekend after being "threatened and pressured" by the DEA, it was reported in this city on 17 March.

Antonio Suarez Nino, president of the Judicial Branch National Association [Asonal Judicial], said that the judge and her secretary requested the protection of international human rights organizations because they fear for their lives.

"She told us that the DEA and the U.S. Embassy in Bogota were exerting undue pressure in a protection (amparo) case she was handling, which, if proven, could represent very serious interference by a foreign country in the administration of Colombian justice," Suarez Nino stated.

Judge Carvajal and her secretary left for Europe under tight security measures after they ordered the return of a turbo commander light aircraft—allegedly used in a drug shipment—to the "Aerocafe" company.

The airline company had filed an amparo to get back the aircraft, which Customs had seized on 19 December 1991.

According to the DEA, the light airplane was used in a drug shipment, although "Aerocafe" was able to prove that at the time the shipment was allegedly made the aircraft was under repair.

Suarez Nino said that the judge ordered the return of the aircraft "because she felt that was the lawful thing to do, and this is not a matter of questioning whether or not the ruling adhered to the law; the serious aspect is that it is not possible to administer justice in Colombia."

The Asonal Judicial leader said that the judge and her secretary had charged that they had received death threats during the legal process, "from people who did not want the light aircraft returned."

He said that the DEA and the U.S. Embassy are "unduly pressuring" this process. Carvajal and Mendez fear that "they would be killed like other judges under the almost indifferent gaze of the Colombian state."

The head of Asonal Judiciary, which represents approximately 25,000 judicial branch employees, announced that on 17 March he will forward a letter to Justice Minister Fernando Carrillo to advise him of this "very grave situation."

The incident "reveals to us the worrisome levels of insecurity amid which Colombian judges are living," Suarez Nino stated.

The self-imposed exile of Carvajal and her secretary raises to nine the number of judicial officials who have had to flee the country because of death threats.

According to the Asonal Judicial figures, 360 judicial employees have been killed over the past decade, including 25 magistrates and tens of judges. At least 600 more judges are facing death threats, according to the Asonal Judicial report.

Insurgents Attack San Carlos Police Headquarters

PA1703160292 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 17 Mar 92

[Text] Villavicencio—Insurgents of the Simon Bolivar National Guerrilla Coordinating Board carried out a bloody action early on 17 March in San Carlos, Guaroa, Meta Department. As a result, two policemen and one civilian have died, seven policemen have been wounded

seriously, the entire arsenal has been stolen, and the police headquarters has been completely destroyed.

About 200 insurgents surrounded the town and started their attack at midnight using short range and long range weapons, rockets, fragmentation grenades, and dynamite. A noncommissioned officer and 15 policemen stationed there courageously resisted the attack until they ran out of ammunition at 0300.

The dead men in uniform were identified as Jose Ignacio Caceres Pardo and Carlos Jaime Ramirez. Corporal Javier Luna and policemen Marco A. Perez Vargas, Carlos Jerez Rivera, Jesus Antonio Diaz Endales, Jose Cabezas Mora, Alvaro Pinzon Albarracin, and Jesus Madero Gomez were transferred to hospitals in Villavicencio and the country's capital with serious wounds.

At this time, troops of the 7th Brigade and units of the police counterinsurgency service are coordinating efforts to pursue the rebels.

Peru

Peruvian-Japanese Association Attacked 16 Mar

PA1703040792 Paris AFP in Spanish 0154 GMT 17 Mar 92

[Text] Lima, 16 Mar (AFP)—A terrorist commando launched, on the evening of 16 March, an explosive device against the Peruvian-Japanese Cultural Association of Lima, causing damage but no victims, the police have reported.

The attack took place at the same time Peruvian President Alberto Fujimori is on an official visit to Japan, the land of his ancestors.

Several witnesses told the authorities that the guerrillas launched the device from a moving vehicle. The device fell next to a vehicle parked at the door of the establishment.

The explosion destroyed the vehicle and broke the window panes of the Peruvian-Japanese cultural establishment, as well as those of the buildings and of the homes located within a 100 meter radius in the Jesus Maria residential district, according to the reports.

The police, who immediately started a search operation of the surrounding areas said that no one had been injured.

Until now, no subversive group has claimed responsibility for the attack, however, a police spokesman said the method used in the dynamite attack fits into the Che Guevara Tupac Amaru Revolutionary Movement.

As a preventative measure, the counterinsurgent police force has stepped up its watch on the Japanese Embassy in Lima, located several blocks from the establishment that was attacked.

* Senate President on Relations With Fujimori

92SM0288A Lima CARETAS in Spanish 17 Feb 92 pp 40-43

[Interview with Senate President Felipe Osterling by Alberto Bonilla; place and date not given]

[Text] [Bonilla] How is it going to be possible to resolve the predicament created by the legislature's passage of laws which the president does not want to implement?

[Osterling] The electoral result in 1990 was a legislature in which the executive branch does not have a sympathetic majority. Despite this fact, the majority of the political groups agreed, in due course, to authorize very broad delegated powers for the executive branch. In the realm of tax reform, it has had such powers for almost a year. Then we granted the presidency the authority to legislate in the realms of pacification, increased employment, and investment, which is what led to the 126 legislative decrees promulgated. Thus we, within a democratic opposition, are cooperating with this government. Naturally, there cannot be an absolute consensus incorporating what the executive branch thinks and the decisions adopted by an autonomous branch like the Congress of the Republic. In fact, there are issues on which there are discrepancies inherent in the democratic system itself.

[Bonilla] This is what is happening, basically, with the Agrarian Emergency Law, in which everyone agrees that there are errors, but which the Congress nonetheless promulgated....

[Osterling] All of the representatives of the political groups in the Senate of the Republic have indicated that this law could be perfected and adapted to the requirements of the economic program of the executive branch, and this was the reason they said they were ready to revise it. This could be done in harmony with the draft law which the executive branch has submitted on the same subject. The problem we have encountered in this special legislature is that since the president has adhered fully to the original law, we were uninclined to introduce changes. This led to the approval of the full original draft. This is why the spokesmen for the political groups agreed that in order to introduce changes, we would have to convoke another special legislative session.

[Bonilla] But that is where the obstacle lies. The presidential decision is not to convoke such a session.

[Osterling] That decision is illogical. The normal thing, when it is the executive branch which is challenging the law, is for it to convoke a special legislative session to study its observations.

[Bonilla] In view of the fact that there has been so much conflict, wouldn't it have been possible to wait until the April legislative session to approve the Agrarian Emergency Law?

[Osterling] No, because when we convoked our own session, it was to examine the observations and to accept or reject them. This is the problem, while on the other hand, there is a very real situation which we cannot ignore. The agrarian sector in Peru finds itself in a truly disastrous situation. Let us not forget that almost a third of the population derives its sustenance, directly or indirectly, from the agrarian sector, and any signal that a peasant is being abandoned is a signal of which the subversives will make use. Some type of support must be given to the agrarian sector. It should come first of all from the president, consistent with what he promised during the electoral campaign.

[Bonilla] But this support meant a return to the situation in the Alan Garcia era. This would mean, for example, establishing subsidies financed by new taxes on farm imports, and even gifts....

[Osterling] Where the donations are concerned, this was an error which should be corrected.

[Bonilla] In addition, with the revival of the Agrarian Bank, the law which merged the development bank was for all practical purposes reversed....

[Osterling] The merger of the development bank is a moot issue. Traditionally in Peru, each sector has had its development bank, and this has worked well. Wasn't the Industrial Bank an effective tool in its day for providing aid, especially to the small and average businesses and industrial establishments? Wasn't the Agrarian Bank an excellent means of supporting the agrarian sector? Wasn't the Housing Bank a stimulus for the building of housing in the lowest income sectors? I have some reservations about this merger of banks whereby a bank was created which had practically no assets, no capital—a second-floor bank. There are discrepancies, and we must seek solutions, but because of the minority it has in the Congress, the executive branch is forced to reach agreement with the legislature, to find points of consensus. This is what I have been pointing out for many months now—that there are points of consensus and agreement, so that precisely what has just happened could be avoided. I talk about a third special legislative session convoked by the executive branch, because it is that branch which submitted a draft law amending some aspects of the Agrarian Emergency Law, which we approved.

[Bonilla] But it serves the purposes of the executive branch not to convoke a special legislative session, so as, for example, to extend the effective period for the tax on bank debts, and to claim that it is the fault of the Congress that the increases for the state sector will be smaller. The executive branch has found the key to winning over public opinion.

[Osterling] It is not a question here of finding a way to improve the so-called popularity index. What is involved is Peru, the national interests. What is at stake is not how popular Mr. Fujimori is, but the fate of the fatherland. Why hasn't the president emphasized the legal norms this legislature has approved in the realm of pacification, wherein there has been a kind of consensus and the legislative decrees of the executive branch have been perfected?

[Bonilla] Are you suggesting that the president is interested in keeping the public believing in a basic error concerning the Congress?

[Osterling] That is the case. I am wondering why the president has not stressed the measures to perfect the law on privatization which we introduced? It is a basic law, an essential part of the economic program. This agreement on issues such as pacification and privatization was brought about by none other than the head of the Change 90 bench in the Senate and the first vice president of the Republic, Maximo San Roman. Why hasn't this been pointed out? Instead, President Fujimori's statements always refer to the Agrarian Emergency Law exclusively. Very well. If he has such great and serious misgivings, why don't the ministers of economy and agriculture come and debate the observations with us? Constitutionally, the ministers have the right, and in this case the duty, to discuss the draft laws.

[Bonilla] If the ministers have not come to the legislature, it is because the president has told them not to.

[Osterling] The draft of the Agrarian Emergency Law was debated for almost the whole of the day on Monday of last week, the last day of the legislative session. In other words, they could perfectly well have come. They preferred to let the law be approved so that they could then voice their criticisms to the public. What is involved here is a search for legislation which will not hinder an economic program which is basically functioning well.

[Bonilla] The curious thing is that the PPC [Popular Christian Party], Liberty, and a portion of the AP [Popular Action] all basically support the economic program. They constitute a tolerant opposition....

[Osterling] That is the case, but nonetheless we continue to be the target of criticisms. This is not logical. We have very serious problems in Peru—subversive violence, narcoterrorism, and extreme poverty. In my opinion, there is a serious recession affecting not only the businessmen, but also those who are out of work and those who are paid very low wages. I want to issue a final appeal to the president of the Republic for harmonious work together. We cannot afford the luxury of seeking confrontation which leads to nothing, but merely erodes our institutions and does harm to the democratic system. Whether the president likes it or not, it is the Congress which produces the laws, and as the executive branch lacks a majority, it must seek points of agreement and understanding.

[Bonilla] Is there no communication between the Change 90 bench and the executive branch?

[Osterling] It is my impression that Change 90 has succeeded in achieving unity in the Senate. The 13 Change 90 senators are pursuing the same path, which

was not true at the beginning. Many legislators in this group did not even know each other when they were first elected to the Congress. If they are in communication with President Fujimori, I am unaware of it. It is very often my impression that they are not. The phenomenon which has developed in the Chamber of Deputies is different. There the original Change 90 bench has been splintered, which has not happened in the Senate.

[Bonilla] In connection with the dinner a number of legislators had with President Fujimori, was some progress made along the path toward reconciliation?

[Osterling] I am afraid not. This was a conversation characterized by harsh talk about various issues which did not result in any conclusions. Not all of the political groups had representatives present. It does not seem to me that there were any advances made because of this meeting.

[Bonilla] Perhaps the executive branch believes that enough progress has been made in this year and a half, and that it is possible to continue in this way for the remaining three and a half years of the government term.

[Osterling] This would be extremely regrettable. If there is no change in the direction being pursued by the executive branch, we are in danger of coming to a halt. I do not believe that the lack of dialogue has led to any real or alleged animosity on the part of the president toward the legislature, but rather to a style of government with which we must do away—a style characterized by imposition and steamroller tactics. This is unacceptable, moreover, for a president who lacks a legislative majority, having instead a legislature with which he will have to coexist for another three and a half years. The president has a great opportunity to move forward in resolving the problems which face Peru, but to do so he must have bridges of understanding with the legislature.

[Bonilla] This situation is extremely curious, in view of the fact that President Fujimori is for all practical purposes implementing the program of the Fredemo [Democratic Front].

[Osterling] Obviously. It is for this reason that many of the measures advocated by President Fujimori have been supported by those of us within the Fredemo. This has produced a truly paradoxical situation. There is extreme poverty, for example, but there is no social welfare program, although the Fredemo did indeed have one perfectly planned and financed, because massive foreign aid was available. In the realm of pacification, we have, regrettably, made little progress. Under the conditions we have been experiencing in these recent times, who will invest in Peru? Regrettably, capital has no flag. Capital goes where there is juridical and physical security and the possibility of earning a profit. We are prepared to offer the executive branch all the help it needs to put this tragedy which is facing Peru behind us, but there must be some level of understanding of the positions supported by those of us within the Fredemo.

[Bonilla] Apparently the political parties do not please President Fujimori, either.

[Osterling] That is true, and I believe he is committing a very serious error. The political parties are also bulwarks of the democratic system. They should play a singularly important role in the battle against subversion, as the attacks to which they have been subjected by the terrorists demonstrate. In fact, they are the democratic counterpart of the totalitarian armed gangs, such as the Shining Path and the MRTA [Tupac Amaru Revolutionary Movement]. One cannot, then, continue to discredit the political parties. To do so is to commit a serious strategic error. Fujimori is a good president. He has many opportunities to change Peru, to modernize it, so that it can move into the 21st century with the greatest future potential, and with extreme poverty and terrorism, at least, eliminated.

* ILD Arbitration Proposal Causes Controversy

92SM0288B Lima CARETAS in Spanish 17 Feb 92 p 25

[Text] The public presentation of the ILD [Liberty and Democracy Institute] draft arbitration law created a great stir last Wednesday, 11 March, when, with 200 people present at the public hearing convoked by that body, attorney Guillermo Lohmann made the accusation, angering Deputy Rafael Rey (L), that the draft had been plagiarized from a document he had drafted for the Fredemo [Democratic Front] in 1990, and from a book he had published.

In their own defense, the young men at the ILD say that the articles which were allegedly "copied" are to be found in the majority of the arbitration laws throughout the world. They also say that the most important innovations in their proposal were not "copied" from anywhere.

What Rafael Rey is insisting, quite rightly, is that the authors should make public mention of the fact that one of the sources of their knowledge was Lohmann's document, which the Fredemo later used in the Senate. To this, the ILD responds that Lohmann and Rafael Rey were invited to participate in the public hearing precisely in recognition of the role the various protagonists played in the process. They added that what is being attempted with this accusation of plagiarism is to divert the attention of the public from a discussion of the fundamentals. Despite everything, in the opinion of various knowledgeable individuals, such as Carlos Cardenas, Jorge Avendano, and Delia Revoredo, the ILD draft undoubtedly contains tangible benefits for the individuals and enterprises who want to avoid the impoverishing costs of court litigation. They emphasize the following, for example:

—It allows for the possibility that those involved in a dispute may decide to allow individuals they trust to settle it.

—The intervention of the judicial branch in the arbitration process is reduced as much as possible.

—The establishment of private arbitration institutions authorized to implement decisions directly, with the support of the police, is encouraged.

—It provides that any individual, rather than attorneys only, may serve as an arbiter. If a fumigation agent destroys the fields of a farmer, for example, both parties may have recourse to an arbiter who is a phytosanitary engineer.

—The intervention of lawyers to represent the parties will not be compulsory.

—Disputes can be resolved in the period and by the method determined by the parties, or in their absence, the arbiters.

—Disputes can be resolved more cheaply by arbitration, because the cost will be concentrated in the payment of fees to the arbiters, instead of spreading the money around among the judges, notaries, assistants, and petty clerks.

—There are provisions not only for resolving the disputes of the rich, but those which develop in the lower-income sectors, as well.

* Increased Stock Market Trading Signals 'Boom'

92SM0289A Lima EL COMERCIO in Spanish
16 Feb 92 p F1

[Text] For some time—to be specific, since early February—Lima stock exchange traders have been observing, though in small doses, the agitation typically generated by dynamic stock market trading.

A symptom of good times to come?

An unusual "stock market boom" has apparently interrupted the routine of the Lima Stock Exchange, since a number of financial dealers and foreign investors—relying on the course of the economy under this government—have begun a stronger infusion of capital.

According to the brokers interviewed, the majority of the investors are mutual funds making mid- and long-term investments.

Profits in recent days have also attracted Peruvian savers.

Taking a brief look at stock market price statistics, with this exceptional rise in prices, we find average daily trading of $3 million, compared with last year's daily average of $600,000. This is five times the volume traded in 1991.

The stock market is more active now, rising from 156 to almost 400 daily transactions.

While analysts says that the stock exchange is "in crescendo," their comments do have real consequences. One of the most striking is the increase in the volume of trading, which reached a total of 59.6 million soles in total trading on 12 February 1992.

Though it does cause some confusion, as happens in stock markets all over the world, a rise of this magnitude (40 percent of the Price Index in seven sessions), is followed by a decline. Investors decide to safeguard their capital by "taking earnings," or selling, producing a temporary price decline.

Based on last year's results, the Lima Stock Exchange is now ready to develop and expand, like its counterparts in Chile and Argentina.

According to the Stock Market Index, 1991's average yield was 288 percent; the inflation rate was 139 percent, and the devaluation rate, 81 percent.

At Conasev [National Supervisory Commission for Enterprises and Securities], the market's supervisory agency, caution prevails.

Augusto Mouchard, Conasev's president, prefers to restrain enthusiasm until this rising trend has been confirmed. At Conasev they think this could be a "speculative bubble."

Jorge Picasso Salinas, president of the Banking Association of Peru, offers another explanation. "Share prices are cheap. If he wanted to, a foreigner could buy up all Peruvian companies at bargain prices," he says.

Opening Up For Investments

The stock market bonanaza is not the only phenomenon worthy of study, especially considering the new plans developed by the staff of Jose Luque Otero, president of the BVL [Lima Stock Exchange] to modernize the Lima Stock Exchange.

The official announced the implementation of a Foreign Currency Regulatory System, which would hold capital in dollars for specific time margins when a rise in its price is suspected.

Something similar is being planned by Commodity Exchange officials for national currency. Both projects are to be coordinated with the Central Reserve Bank, which is to respond in less than two months.

But the "range of investment possibilities," as Luque Otero calls it, does not end there. There are plans to develop the futures market, which is practically driven by brokers' intuition and experience with the rise and fall of prices.

A new approach is apparently being developed for agricultural producers. They might soon be able to negotiate their harvests, and would then be subject to the same requirements and rights as any other market trader.

There is also talk about negotiating fees, or making trading in shares and their fees more independent.

In a not yet very concrete way, but with many prospects, there is talk of the investment funds the BVL might attract after the workers choose their insurance method.

An impressive amount of funds could be attracted in this way. The Peruvian Social Security Institute handles liquid assets of $140 million.

If a considerable percentage of this money were shifted to the local stock market, it would create the financial cushion needed to provide a stimulus.

* Business Sectors To Help in Tax Collection

92SM0289C Lima EXPRESO in Spanish
13 Feb 92 p A16

[Text] Starting today, SUNAT [National Tax Administration Superintendency] will have the support of Confiep [National Confederation of Private Business] and the Banking Association in its campaign against tax evasion.

After a lengthy meeting between Manuel Estela, Jorge Camet, and Jorge Picasso, it was reported that an agreement was signed for the business association to help with a publicity campaign to raise tax awareness in all of the nation's social and economic sectors.

The Banking Association is making its offices all over the republic available to SUNAT to establish a "national tax network," where taxpayers may purchase forms to file their sworn statements. These bank branches will also be authorized to collect taxes directly. "This will leave people no excuses for not paying taxes on time," they said.

Maximum Collection

SUNAT officials announced that between Monday and Wednesday, IGV [General Sales Tax] and ISC [Selective Consumption Tax] collections came to 100 million new soles. "Our collections are 10 times greater than what Customs generates," they said.

About the substantial increase in tax collections, it was reported that last year public treasury revenues from the IGV rose from 18.5 to 28.6 percent, while the ISC applied to fuel tax revenues declined from 30.5 to 19 percent. "This means that the state is less dependent on gasoline tax hikes, while it generates greater tax revenues to carry out its functions," they said.

Tax Base Increases

They explained that the tax base now contains approximately 1 million people, compared with the 60,000 taxpayers who filed tax returns under the APRA [American Popular Revolutionary Alliance] government.

"Through its 'Summer' Plan, in March SUNAT will locate another million taxpayers. Our goal is to register the 4 million Peruvians who make up the PEA [Economically Active Population] so that paying taxes will be an obligation incumbent upon everyone," they said.

A CIAT [Inter-American Tax Administration Center] expert, Alicia Perez, is now in Lima. She was sent by the IDB [Inter-American Development Bank] to prepare the RUC [Single Taxpayers List]. "When the RUC has been completed, our annual tax collections will be no less than $2.5 billion," they concluded.

* Current Tax Structure, New Package Described

92SM0289B Lima CARETAS in Spanish
17 Feb 92 pp 16, 91

[Text] Everything indicates that tax evasion in Peru has been and remains at exceptionally high levels. First of all, people do not file tax returns. In March 1991, only about 220,000 people filed an income tax return. The rest acted as if they were not living in a country with an economically active population of 7.4 million. Of each five potential taxpayers, it has been calculated four slip through the cracks.

According to the then current legislation, everyone receiving taxable income above three UIT [Tax Units]—the equivalent of about 5,720 soles per year or 476 soles a month—was required to pay taxes. So, even taking into account deductions for family expenses, we wonder how so many luxury restaurants can stay in business in Lima, how shops can be crowded with customers, and how so many Peruvian tourists are able to travel abroad.

Next comes underreporting of income. "Apoyo" recently estimated that 300 of the 130,000 businesses registered in March 1991 paid 70 percent of their income tax due, and 100 of the 220,000 taxpayers paid 50 percent of the tax they should have paid.

Of course, for people working in an established company evading taxes by not filing is virtually impossible, and underreporting is very difficult. But in the professions (attorneys, doctors, engineers, etc.) anything can happen—with the income tax as well as with the IGV [General Sales Tax]. And there are an infinity of other categories, including informal street vendors who sell large quantities of goods, under-the-counter sales by established companies, and even the drug-trafficking economy and its related businesses.

Since October the SUNAT [National Tax Administration Superintendency] has managed to sow terror in many hearts, and these so-called "Spring" raids—which do not bring flowers but citations—have raised IGV collections from 29.2 million soles, the monthly average during the first quarter of 1991, to 99.4 million soles in January (see table [not included]).

Now the SUNAT bureaucracy is getting ready to conduct closer reviews of the income tax returns to be filed by 31 March. It will perform meticulous checks, and audits will be frequent. So anyone preparing to file a somewhat imaginative tax return should ask himself the following questions. They are the same ones that the inspectors looking for external signs of wealth will be asking.

Do you have credit cards? How much do you charge on them?

Have you travelled abroad? What was the reason for your trip(s) and how much did it (they) cost?

Do you have children in school or at university? What are their tuition and living expenses?

Have you bought a new car? What type?
Have you bought or sold any real estate?
Have you had any stock market dealings?
Do you belong to any clubs?
Do you belong to one or more boards of directors?

Results

It is in part because of the degree of tax evasion in Peru that our tax burden today is still very low compared with other similar countries: 8 percent, compared with an 18 percent average in the developing countries, and 22 percent in Chile.

Moreover, this system's complexity cries out to be reformed and simplified.

In any case, during the 4 and ½ hour meeting with Michel Camdessus on Wednesday at the Central Reserve Bank, in which the minister of the economy, Carlos Bolona, the president of the BCR [Central Reserve Bank], Jorge Chavez, the vice ministers of finance and the economy, Alfredo Jaililie and Rosario Almenaras, respectively, and other technical staff and officials took part, the following measures were suggested to raise the tax burden, which the Ministry of the Economy and SUNAT estimate at 8.6 percent now, to 9.8 percent.

a.Raising the IGV by two points, from 16 to 18 percent, eliminating all exemptions.

b.The elimination of all income tax deductions (for family expenses and other deductions) in 1993, and only for that year.

c.A special temporary tax on remunerations, to be added to the income tax scale.

d.Reintroduction of a tax on business assets, without deductions of any type.

e. An increase in the ISC [Selective Consumption Tax] on luxury goods.

These reforms should be implemented within three weeks. As they are considered temporary measures, the Executive will be able to authorize them by Executive Decrees, without congressional authorization.

This has already been done with the URT [Standard Tax Unit], which replaces and expands the UIT minimum base.

For other measures, though, to prevent another collision with the legislature, Minister Bolona will submit the plan to the standing commission before publication, following Mr. Camdessus's recommendations.

There are bound to be disagreements. Several months ago, Minister Bolona's staff came up with some of these proposals. Congress rejected some of them, like the IGV increase and the tax on remunerations.

For example, there is a 15 percent tax on profits on operations with promissory notes and bills, which would be included in the ISC system. The initial proposal came from Senator Manuel Moreyra.

Bolona will argue that this readjustment is needed as the budget passed by Congress calls for higher spending than what the Executive initially planned. Moreover, the new tax burden goal is similar to the one worked out by the MEF [Ministries of the Economy and Finance] in November, in coordination with Martin Hardy from the IMF.

New Structure

In Peru direct taxes make up only 23 of the total revenue collected; according to the "Apoyo" data, 43 percent comes from direct taxation in Spain, France, Italy, and Mexico, while 54 percent comes from direct taxes in Japan, the United States, Germany, and England.

Here the IGV and the ISC produce 57 percent of the total tax revenues collected and tariffs between 18 and 20 percent (in the industrialized countries, the latter bring in barely 3 percent). The package that came out of the BCR meeting will not really change this structure, but it will make itself felt in a business sector being squeezed by the shrinking domestic market and astronomical interest rates.

Uruguay

Government Repudiates Attack on Israeli Embassy

PY1803035692 Montevideo Radio Carve in Spanish 0000 GMT 18 Mar 92

[Excerpt] This evening the Uruguayan Foreign Ministry issued a communique repudiating the attack on the Israeli Embassy in Buenos Aires.

The communique states that President Luis Alberto Lacalle sent a telegram to his Israeli counterpart, Hayim Herzog, and Uruguayan Foreign Minister Hector Gros Espiell sent one to his Israeli counterpart, David Levi.

President Lacalle now is getting in contact with Argentine President Carlos Menem to learn the details of the attack.

A source in the Libertad Building has said that the possibility of implementing some security measures at the Israeli Embassy in Montevideo has not been dismissed.

This was preliminary information we had but a few minutes ago. Minister Gros Espiell, when consulted by Radio Carve, confirmed that the executive branch, through the Interior Ministry, has ordered the tightening of safety measures around the Israeli Embassy in Uruguay.

In addition, all political parties in Congress have repudiated the attack on the Israeli Embassy in Buenos Aires. [passage omitted]

Security Reinforced

PY1703235892 Madrid EFE in Spanish 2335 GMT 17 Mar 92

[Text] Montevideo, 17 Mar (EFE)—The Uruguayan Interior Ministry decided today to reinforce vigilance and security services around the Israeli Embassy in Montevideo, police sources reported.

The security measures were extended to the religious facilities and social and sports activities linked to the Jewish community in Montevideo to prevent possible attacks.

Uruguayan officials are afraid that after the attack on the Israeli Embassy in Buenos Aires, anti-Semitic groups may carry out attacks in Uruguay.

Last year a Jewish cemetery and social and sports facilities of Uruguayan Jews were attacked twice. There were no casualties but there was major material damage.

Venezuela

Coupists Charge Human Rights Violations

PA1703185692 Madrid EFE in Spanish 1559 GMT 17 Mar 92

[Text] Caracas, 12 Mar (EFE)—Soldiers who attempted to stage a coup against the Venezuelan constitutional government on 4 February charged on 12 March that their human rights are being violated and announced their intention to go before international justice organizations.

Army Lieutenant Colonel Hugo Chavez released a press bulletin saying he will not appear before the court to be served notice of his arrest until the suspended constitutional guarantees are reestablished.

Chavez and four other coup commanders being held at the San Carlos Garrison in northern Caracas, must be served notice of their arrest for military rebellion at the 2d Military Court, which is working on their case.

The document claims that military authorities are hampering the work of the defense attorneys designated by the coupists, do not allow the attorneys to have permanent contact with the coupists, and do not permit married officers to receive intimate visits from their wives.

The rebel commanders charge that they are being held in installations that are in deplorable condition and that they face the risk of contracting serious infectious diseases.

As a minimum condition to appear in court, the coup leaders demand the reestablishment of constitutional guarantees, the inviolability of the home, and personal guarantees which spell out the maximum time of arrest and what outside communication is allowed as a minimum condition for them to appear to be served notice of their arrests. Constitutional guarantees have been suspended since 4 February.

Army Colonel Ramon Moreno, judge of the 2d Military court of Caracas, said that 30 soldiers were served notice of their arrest and agreed to have defense attorneys appointed to defend them.

Moreno said that the tribunal has served 163 arrest warrants and has released 290 soldiers. In addition to the coup leaders, more than 900 soldiers, mostly regular troops, were arrested as a result of the thwarted coup.

Commission Created To Supervise Expenditures

PA1803033492 Caracas Venezolana de Television Network in Spanish 0004 GMT 18 Mar 92

[Report by Rebeca Hung Diaz]

[Text] President Carlos Andres Perez and the executive cabinet members met with the Consultative Council members to discuss the measures proposed by the council to solve the country's crisis. As a result of the meeting, a commission for supervising public expenditures was created.

This commission was preceded by a similar one created by then president Romulo Bethancourt; it was dissolved in 1974. The present commission's role is to make public expenditures more efficient by cutting budget allocations for public institutions that have proven inefficient.

[Begin recording] [Reporter] What sectors would be affected by reduced budgets and expenditures?

[Commission member Pedro Palma] The subject should be studied in even greater detail. To be sure, there are a number of public institutions whose levels of efficiency do not justify their budget allocations. I do not want to report on this ahead of time, however. The budget cuts must be the result of a serious and detailed study. [end recording]

Fiscal issues and specific aspects of each institution were also touched upon in this meeting. Jose Mendoza Angulo of the Government and Justice Ministry agreed to make remarks for the press; he said specific proposals were made regarding prison administration.

[Begin Mendoza] The meeting discussed necessary reforms in the Supreme Court of Justice, the Judicature Council, the Public Ministry, prisons, registers' and notaries' offices, police departments, and educational systems in charge of training lawyers. This is a very complex problem that exceeds the capacity, not only of one man, but of an entire organization as well. Several suggestions were made, some of which can be applied on a short term basis. Others will be applied later, but all can be considered at present. [end recording]

The work of the Consultative Council will end definitively on 18 March, when it will present its proposals to the Chamber of Deputies' board of directors and the parliamentary groups. Whether or not these proposals will be implemented depends on the parties' political willingness.